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Americas Summit To Suffer 'Setback' if Haiti Invaded

PY1309234594 Sao Paulo GAZETA MERCANTIL in Portuguese 12 Sep 94 p 3

[Article by Maria Elena Tachinardi]

[Excerpt] Rio de Janeiro—The Americas Summit will suffer a setback if the United States invades Haiti. Uruguayan President Luis Alberto Lacalle summarized what most of his Latin American colleagues are thinking. If an invasion takes place, political issues cannot be discussed in Miami, only trade subjects, he said.

The fear that a military intervention in Haiti might establish a precedent for other similar actions led the Rio Group to insist on a peaceful solution to the Haitian crisis. Such is the main point of the declaration signed by the fourteen Latin American and Caribbean countries. "Today it is Haiti, tomorrow it could be the Amazon," a foreign minister said, alluding to a possible foreign intervention in the Amazon region with the pretext of saving the environment and indigenous communities.

The Rio Group diplomats were impressed by the statement made by Ambassador Ted MacNamara, a U.S. State Department envoy [name as published] to the presidential summit that concluded on 10 September in Rio de Janeiro. He said that an "action" in Haiti would be a good way to demonstrate the consolidation of the defense of democracy in Latin America. "He passed on the message," commented a Brazilian negotiator, referring to the danger of a succession of invasions in the continent. [passage omitted]

Argentina, Brazil To Seek Seats on UN Security Council

PY1309230094 Sao Paulo GAZETA MERCANTIL in Portuguese 12 Sep 94 p 3

[Article by Maria Elena Tachinardi]

[Text] Rio de Janeiro—Argentine Foreign Minister Guido Di Tella admitted at the Rio Group meeting that Argentina is a candidate for a permanent seat on the UN Security Council. This is the first time that the Argentine Government has publicly declared its intention to run for a permanent seat in that body, the enlargement of which will be discussed at the UN General Assembly that will take place by the end of September in New York.

Brazil is also competing for a permanent seat on the UN Security Council, which is playing an increasingly more important role on the world scene following the end of the Cold War, with the upsurge of new countries influencing politics and economics and with the proliferation of regional conflicts.

"We will fully support Brazil, and we expect reciprocity," Di Tella said. Asked whether the two countries would be candidates, Di Tella answered: "Of course." Di Tella did not clarify whether Argentina would continue to support Japan, which is also interested in holding a permanent seat on the UN Security Council. "Japan is one of the most obvious and less controversial cases," he said, in reference to Japan's importance on the international economic scene and the geopolitical changes since the fifties.

Brazilian Foreign Minister Celso Amorim said that he would support Argentina if it expresses its support for Brazil. "If there are two places, both countries could be admitted; if not, the one with the greatest chances will get in" (the UN Security Council), he added. "What would be inconceivable is that Argentina, a country linked to Brazil through ties of friendship and integration, should support other contenders" like Japan or Germany.

Since its foundation in 1945 the UN Security Council has represented only five countries: France, Russia, the United States, Great Britain, and the PRC, which are permanent members with the right to veto. According to Di Tella, the UN Security Council must be modernized. "Some zones are under represented. The case of Latin America is evident," he said.

"Latin American aspirations are more than reasonable, mainly as Brazil is close to a new economic growth 'boom.'"

Chile's Frei Seeks Approval of Lima Convention

PY1309221794 Madrid EFE in Spanish 2311 GMT 10 Sep 94

[Excerpt] Rio de Janeiro, 10 Sep (EFE)—Chilean President Eduardo Frei told his Peruvian colleague, Alberto Fujimori, that his administration would like to see the Lima Convention approved. He said he is not interested in revising it.

Frei and Fujimori held a private meeting on 9 September within the framework of the Eighth Rio Group summit which closed today in Rio de Janeiro. Discussions during the meeting centered on agreements that have already been achieved to end border disputes between the two countries.

Frei said today that he expressed his regret over the Peruvian president's decision to withdraw the Lima Convention from the Peruvian Congress. The Lima Convention awaits congressional approval for its implementation.

Frei stressed Chile's interest in resolving border disputes with its neighbors. He added that there will be a another meeting next week with Peruvian officials during which Chile hopes to see a change of attitude in the Peruvian Government.

This afternoon, minutes before his departure for Santiago, Frei said that "We do not want the Lima Convention revised, we want it approved."

He added that it is imperative "for our countries to complement our ties, particularly those on economic integration."

Frei added that Fujimori agrees, and committed himself to continue to strive for fluent ties and to avoid a reversal in bilateral ties. [passage omitted]

Paraguayan-Peruvian-Bolivian Presidential Summit Postponed

PY0809221294 Asuncion ABC COLOR in Spanish 8 Sep 94 p 8

[Text] Pursuant to a petition made by Paraguayan President Juan Carlos Wasmosy, the summit of Paraguayan, Bolivian, and Peruvian presidents that had been scheduled for 11 September in the Bolivian town of Puerto Suarez has been postponed. Wasmosy will be unable to attend the summit because he will be participating in ceremonies scheduled to mark the 107th anniversary of the Colorado Party in Asuncion. The presidents agreed to meet on 24 September, when an international trade fair will be opened in Santa Cruz de la Sierra.

An EFE news agency report datelined yesterday in La Paz points out that Bolivian Foreign Minister Antonio Aranibar Quiroga officially reported the summit's postponement yesterday, in noting that President Wasmosy "has unavoidable commitments on 11 September in Asuncion."

The Paraguayan, Bolivian, and Peruvian presidents are scheduled to review the most effective means for implementing the free trade zones that they have mutually approved in their respective territories, which will promote the links between the Atlantic and Pacific Oceans through the Paraguay-Parana waterway.

According to their tentative agenda, the three presidents had been scheduled to discuss the possibility of establishing routes for facilitating the export of their products to overseas markets, specifically for Bolivia and Paraguay, which are landlocked countries.

Peru would be interested particularly in gaining access to the Atlantic Ocean through the Paraguay-Parana waterway, which gives access to the River Plate Basin through river transportation. To this effect Peru already signed bilateral cooperation agreements with Bolivia in 1992.

ANR [National Republican Association] Ceremonies

President Wasmosy will attend the ceremonies prepared by Colorado Party members to mark the 107th anniversary of the National Republican Association (ANR). About 30,000 people are scheduled to march outside the ANR headquarters at 0900 on 11 September.

Mercosur Countries Reach Consensus on Social Security

PY1009013394 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 9 Sep 94

[Text] Brazil, Argentina, Paraguay and Uruguay have reached consensus on a social security agreement within the Common Market of the South [Mercosur]. Under the agreement, workers will retire on the basis of the number of years worked in each Mercosur country. The presidents of the four countries will sign the agreement at the end of the year.

Social Security Secretary Marcelo de Morais reported that when the agreement comes into force, the four countries will integrate their social security systems. He added that the time during which a person worked in any Mercosur country will be considered for retirement purposes.

[Begin de Morais recording] If a Brazilian worked 10 years in Brazil, then 10 years in Uruguay, and then 10 years in Argentina, it will all be considered for his retirement, which will be paid by the last country in which he worked. The cost will then be broken down proportionately according to the time he worked in each country. [end recording]

The secretary added that this is the first social measure adopted within Mercosur, and that the Social Security Ministry has not yet estimated how many workers will benefit from it.

Mercosur Financial Institutions Discuss Development Role

PY1309224594 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1607 GMT 13 Sep 94

[Text] Buenos Aires, 13 Sep (NA)—The banks joining Mercosur [Common Market of the South] must become effective mechanisms for the promotion of investments and the enhancement of foreign trade, and for financing the transformation of agricultural activities and the development of small and medium enterprises.

This was the main summation of a report released by the Second Meeting of Financial Institutions for Development of the Mercosur Countries [Segundo Encuentro de Instituciones Financieras de Desarrollo de los Paises del Mercosur] sponsored by the Latin American Association of Financial Institutions for Development (ALIDE).

During the meeting, the participants reviewed the role played by the Mercosur banking institutions in supporting the development of the integration process and "contributing to the modernization of production that is currently under way" in the countries that signed the Asuncion Treaty.

Among the items described as essential for the integration of financial systems, the report notes that the banking resolutions that will be established will have to be jointly reviewed with representative financial institutions "before they become effective."

The report also notes that these basic principles and standards "must be implemented by the supervisory institutions—the central banks—using criteria of flexibility and gradual change" to allow the banks of the four countries enough time to adjust "without effecting the services rendered to their clients."

After a 48-hour meeting the representatives from these institutions described as a "top priority" the study of "criteria and elements for the transformation and modernization of the agricultural and agro-industrial activities of Mercosur countries."

In addition to this quest for common guidelines, this point (number eight of the report) entrusts ALIDE authorities with "supplying financial and technical support for the implementation of the adjustment study."

In conclusion, the report emphasizes the role played by small and medium enterprises "in the development process of the Mercosur countries" as well as "the need for development banks to supply funds for the credit needs of small and medium enterprises."

The meeting of banking officers was held on 8 and 9 September in Buenos Aires, and the preliminary report was released today by the sponsoring institution.

Bolivia's Sanchez Terms Pilcomayo 'Ecological Tragedy'

PY1309221994 Asuncion ABC COLOR in Spanish 11 Sep 94 p 13

[Text] Bolivia's President Gonzalo Sanchez de Lozada granted us an exclusive interview in Rio de Janeiro following the deliberations of the Eighth Summit of Rio Group Presidents. During the brief interview, Sanchez de Lozada defined his country's position on the sensitive Pilcomayo issue. Asked about the problem, the Bolivian president said that as time goes by the damage caused by the river diversion increases. It is known that Bolivia is experiencing irreparable damage caused by the widespread death of fish.

Sanchez de Lozada said the damage must be corrected based on the understanding and friendship of neighboring countries interested in the issue.

Asked if he would be ready to submit the case to the consideration of organizations such as the Rio Group or Mercosur [Common Market of the South], Sanchez de Lozada said he would be in agreement with such an initiative. The Bolivian president added that it would be entirely possible to ask international organizations to make an analysis of the situation, and if possible propose a resolution. "We think any initiative on the matter would be positive," the president said.

Sanchez underlined that he could not rule out this possibility. He added that what was in question was brotherly countries, and it would be appropriate to use all available mechanisms among Paraguay, Argentina, and Bolivia before resorting to other mechanisms. "I think we will find a solution, or at least we hope we will be able to," Sanchez de Lozada said.

Asked about the document signed with his Paraguayan counterpart Juan Carlos Wasmosy in Santa Cruz last year declaring the Pilcomayo area "a zone of high ecological risk," Sanchez de Lozada said that progress is being made. He stressed that the three countries have decided to create an institution exclusively dedicated to studying the entire Pilcomayo problem. The novel thing about this institution is that the director will not be a Paraguayan, Argentine, or Bolivian citizen.

Sanchez de Lozada stressed that what we need is a true solution, and "not a continuous postponement of what amounts to an ecological tragedy." We need a definitive solution to control this ecological tragedy, he insisted.

Paraguayan Actions

Our country is determined to carry out the necessary work to return the river to its normal bed. This is a firm commitment resulting from Argentina's delay in fulfilling its commitments. Apparently the Menem Government does not like this position. However, "Paraguay has no alternative but to solve the problem on its own," a high-ranking Paraguayan Government official said.

Cuba

Ordinance Prohibiting Illegal Immigration In Effect

PA1309203194 Havana PRENSA LATINA in Spanish 1907 GMT 13 Sep 94

[Text] Havana, 13 Sep (PL)—In what observers consider an end to the chapter on "rafters," today in Cuba, an official ordinance came into effect that forbids people to emigrate illegally by using their own means.

The time period the Cuban Government allowed on Friday for people who wanted to leave the country by illegal means, expired without incident in the coastal areas, where days before, candidates to cross the Florida Straits gathered with rafts bound for the United States.

Thus, Cuba has begun complying with its part of a series of migratory agreements it reached with the United States on 9 September to ensure that the "migration between the two countries be safe, legal, and orderly," according to the joint communique that was issued.

The Cuban-U.S. talks, held in New York, also ensure a regulated departure from the Caribbean nation of a minimum of 20,000 people a year, in an attempt to discourage illegal migration.

Following the agreement with Washington, local authorities urged the would-be "rafters" to resist the idea and allowed a time period up to 1200 local time [1600 GMT] today before the authorities stopped any departure attempts.

On Sunday, a prohibition to transport to the coast rafts or materials to build them, came into effect, and it warned that vehicles used to transport them would be confiscated and that those who violated the ordinance would be arrested and brought to trial.

Radio Airs U.S. Interests Section Note on Immigration

PA1309193294 Havana Radio Rebelde Network in Spanish 1700 GMT 13 Sep 94

[From the "National Radio News"]

[Text] Note from the U.S. Interests Section: The United States and Cuba have reached an agreement that will allow a minimum of 20,000 Cubans to legally migrate to the United States each year. The agreement will make it possible for many Cubans previously considered noneligible to emigrate to do so and will accelerate the exit of those who are currently on the waiting list to enter the United States. Information on the procedures for requesting permission to travel to the United States under this agreement will be announced in the near future and will be disseminated as amply as possible in Cuba, as well as in the United States. The note from the U.S. Interests Section also asks that no contact be made with the U.S. State Department, the Immigration and Naturalization Service, or the Interest Section in Havana because the procedures for such requests will be announced as soon as possible.

PRENSA LATINA Notes U.S. Satisfaction

PA1409013194 Havana PRENSA LATINA in Spanish 2332 GMT 13 Sep 94

[Text] Washington, 13 Sep (PL)—The U.S. Government expressed its satisfaction today with the measures adopted by Cuba with regard to illegal immigrations, as part of the agreements signed by the two countries on 9 September.

Michael McCurry, State Department spokesman, today said that his government "views favorably" the steps taken by Cuba designed to persuade Cubans not to risk their lives trying to reach the Florida coast by sea.

A spokesperson for the U.S. State Department expressed the hope that these efforts "will continue."

There are signs that the Cuban Government in fact intends to honor its commitments with the United States, McCurry stated, referring to the immigration agreement signed by both countries last Friday.

The agreement includes expanding the list of possible legal emigrations to the United States, a country which in the past decade gave Cubans only about 6 percent of the visas promised in the 1984 immigration agreement and encouraged illegal departures from the island. At the same time, the U.S. State Department spokesman said that extra personnel will be sent soon to the U.S. Interests Office in Havana. They will be in charge of processing requests for visas by Cuban citizens who want to emigrate legally to U.S. territory as part of the bilateral agreement.

Radio Notes Compliance With 9 Sep Immigration Accord

PA1409020894 Havana Radio Havana Cuba in Spanish 0000 GMT 14 Sep 94

[From the "Evening Information Review" newscast]

[Text] Normalcy returned to Cuban coasts after the expiration on Tuesday of the deadline given by local authorities to persons who insist on departing for the United States by their owns means and without legal documents.

Cuba has thus begun complying with the migration agreements signed with the United States in New York on 9 September to ensure safe, legal, and orderly migration.

Following the agreement with Washington, the Cuban Government adopted a series of measures to discourage islanders who wish to travel to the United States illegally.

A high-level Cuban Interior Ministry official told this radio station that not a single person has disobeyed government orders. He said that from now on, Cuban border guards will patrol Cuban coasts as usual to enforce the migration laws. He said any person who attempts to leave the country illegally will be arrested and prosecuted according to the law. He said such attempts are considered a serious violation of the law, and punishment could be tougher if people resort to violence, such as stealing ships or using weapons.

'Hardly Any Remnants of Rafts' Confirmed

FL1409030694 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 14 Sep 94

[From the "NTV" newscast]

[Text] The order prohibiting emigrants from departing Cuban coasts on rafts came into effect at 1200 [1600 GMT] today. There are hardly any remnants of rafts on the Havana City coast:

[Begin recording] [Unidentified speaker] Yes, everything has been very peaceful.

[Unidentified speaker] What does very peaceful mean?

[Unidentified speaker] You no longer see what we were seeing in this area: rafts, inner tubes, and people leaving.

[Unidentified speaker] There is nobody around. Maybe they are working or studying.

[Unidentified speaker] The beach is pretty calm now. It was like a circus over the last few days.

[Unidentified speaker] What about today?

[Unidentified speaker] We have not seen a thing. [end recording]

Border guards were patrolling the Havana City coastline at 1200 today as usual, while other people were taking advantage of our summer:

[Begin recording] [Unidentified speaker] How are the authorities around here?

[Unidentified speaker] Very peaceful, just the way you see them over there, sitting down. They have no firearms, just their batons. You can see that they are not fighting anything. We have seen practically nothing around here. [end recording]

There was no other graphic testimony available for those of us who are involved with the television news, both in Cuba and worldwide:

[Begin recording] [Unidentified speaker] What television channel do you work for?

[Unidentified speaker] I work for NBC.

[Unidentified speaker] What are you filming here?

[Unidentified speaker] We are filming a story on the 1200 deadline for the rafters. By the way, there are no rafts. I cannot see anyone trying to leave.

[Unidentified speaker] Did you see anyone before?

[Unidentified speaker] Oh yes! I saw many rafts leaving.

[Unidentified speaker] What is the beach like right now?

[Unidentified speaker] See for yourself. There is no one around, except for a couple of fishermen and remains of old rafts that have been left behind. [end recording]

Beginning 9 September, the border guards intensified their efforts to persuade the people on rafts at sea to come aboard the Cuban patrol boats and give up their attemps to travel to the United States that way. There is an old saying: After the tempest, there is calm. We could say that things have returned to normal, therefore complying with the migratory agreement recently signed between Cuba and the United States.

GRANMA Welcomes Rio Group Position on U.S.-Cuban Ties

PA1309214794 Havana PRENSA LATINA in Spanish 1913 GMT 13 Sep 94

[Text] Havana, 13 Sep (PL)—For the first time in 30 years, the Rio Group has distanced itself from Washington with regard to Cuba and has urged Washington to end the blockade and continue the dialogue with the island, the official newspaper GRANMA commented today.

The newspaper termed as an unprecedented the fact that in the Final Declaration of the seventh summit in Brasilia 15 Latin American and Caribbean presidents advocated Cuba's reincorporation into the inter-American system.

The Rio Group countries also urged the administration of U.S. President William Clinton to resolve once and for all its feud with the Cuban Revolution, GRANMA indicated.

The migration agreement reached between Cuba and the United States constitutes proof that it is not through means of confrontation but through dialogue and negotiations based on equality and mutual respect that solutions can be found to pending problems between the two nations, which also concern the rest of the hemisphere, it stated.

The article signed by journalist Nidia Diaz draws attention to the position maintained by Argentine President Carlos Menem, who going against all of his Latin American counterparts by viewing the U.S. blockade against Cuba as a secondary issue.

At any rate, we are living in a time in which political maturity and restraint have cleared the way for mutual understanding, which is greatly needed for Latin America to face and resolve the problems that concern all of us in the immediate future, the mouthpiece of the Communist Party of Cuba maintained.

Latin America knows Cuba is its serious, responsible, and valid interlocutor—one which can now show social achievements that are unimaginable for others, GRANMA added.

The article also refers to the efforts made by the Rio Group to reach a consensus, which it failed to do in its latest meeting in Brasilia, on the issues to be discussed at the Miami Summit, which Washington will convene in December 1994.

GRANMA concluded that issues such as development; access to state-of-the-art technology; and the fight against poverty, drug trafficking, and money laundering must find common ground to be discussed, on equal terms, with the United States.

Expelled Colonel Notes 'Unease' Spreading in Cuban Army

BR1409100394 Madrid EL PAIS in Spanish 14 Sep 94 p 4

[Francesc Relea report: "Former Cuban Colonel Says Dissent is Spreading in the Army"]

[Text] Madrid—"Unfortunately, in the current circumstances, Cuba is moving further and further away from a peaceful solution. The reconciliation would appear to be a chimera, a dream. What does that leave? A bloodbath. I think that the Armed Forces will have to show their hand in the events that are about to take place in Cuba, because within the Army there is a widespread feeling that an end should be put to this disaster, for which Fidel Castro is the main person responsible."

The person talking is Alvaro Prendes, decorated in May 1961 by Fidel Castro himself as a Hero of the Republic for his successful participation, as a pilot, in pushing back the Bay of Pigs invasion. From being a hero and National Literature Prizewinner, for his novel "Combat Pilot," Colonel Prendes went on to be considered a traitor: two court martials, and expulsion from the Armed Forces with the loss of all his decorations, ranks, and pension. After obtaining a political refugee visa from the United States, the former officer was granted authorization to leave Cuba for Spain; he arrived last Thursday [8 September] on a stopover to the United States, where he will settle "in order to continue the fight for the rights of the Cuban people and for the overthrow of Fidel Castro."

Colonel Prendes said yesterday in Madrid that the feeling of unease among the military is beginning to take concrete form in terms of organization with the so-called Union of Free Soldiers and Officers (USOL), in which, he assured, he is backed by the majority of Cuban officers.

Prendes listed three guidelines "which today guide the majority of the members of the Cuban Armed Forces:" 1) Solidarity among all military personnel; 2) The inexorable desire never to shoot at the people in the event of serious disturbances of public order. The Cuban military is closely linked to the people and shooting at them would be shooting at their own brothers; and 3) if the order is received to shoot at the people, then the military will shoot at those who give such orders."

In the opinion of this rebel officer, the unease in the ranks of the Armed Forces "is due to the same causes as the unease of the Cuban people. Soldiers suffer from the same shortages and tortures afflicting Cuba today: austerity in transport, in the electricity supply, in food, etc. Only a very small group within the leadership enjoys all the privileges."

Colonel Prendes mentioned two letters, one written in his own hand and intended for the people of Spain, which says: "I fear that Castro is leading the country into civil war. I would say that the unease found among my comrades in the Armed Forces has already caused a rebel movement among many officers."

The second letter, distributed in July by a group of officers and intended for the presidents of Latin American countries, calls for a drastic reduction of the Army, whose members should be placed "at the service of the people's needs."

Robaina Meets U.S.-Based Exiled Community Leaders in Spain

PA0909152994 Havana PRENSA LATINA in Spanish 1543 GMT 8 Sep 94

[By Alfredo G. Pierrat]

[Text] Madrid, 8 Sep (PL)—Foreign Minister Roberto Robaina today met with Eloy Gutierrez Menoyo, head of the U.S.-based "Cuban Change" organization.

During an interview with foreign correspondents this morning, the Cuban foreign minister confirmed that the meeting, organized by the International Press Club, was held.

Robaina also announced last night that he gave separate interviews to Ramon Cernuda and Alfredo Duran, leaders of Cuban emigre organizations based on U.S. territory.

Commenting on the meetings, the Cuban foreign minister discussed "The Nation and the Emigrants" conference, which was held in Havana last April and attended by over 200 exiles living in different countries.

Robaino noted that as a result of this conference, Cuba opened communications and held meetings with representatives of the Cuban community abroad, a move that some critics termed not sufficiently broad or representative.

In an attempt to continue this process, these three individuals requested—among other things—that the Spanish Foreign Ministry allow them to take advantage of Robaina's presence in Spain and meet with him.

Robaina explained that the Spanish Foreign Ministry complied because there have been no contacts between the two parties, and the exiled leaders did not participate in the April conference.

The Cuban leader explained that these people still have respect for the country, despite the fact that they naturally hold differing views. We have not asked them to agree with our ideology in order to hold talks, Robaina noted.

"I think it is important that at a time like this, in which the country needs everyone's consensus and opinion, we maintain contacts primarily with those who respect and understand the nation," the foreign minister remarked.

He made this statement during their very first conversation "where we have perhaps eliminated prejudice on both sides."

They believe, he added, that they can be useful where they are and in the positions they hold, and are ready to help save the nation, which is much more important.

Robaina explained that in the meetings he held with Cernuda, Duran, and Gutierrez Menoyo, there was no mention of agendas or conditions of any kind, adding that "it was the initial meeting allowing us to break down the barriers."

He stressed that these contacts were based on the same principles underlying the April conference in Havana, "to advance, above all, in areas that unite us because the nation is in danger—not in transition to a better or worse period, but in its very existence as a nation."

Robaina said: "They naturally maintain very, even absolutely, different positions from ours, but I believe it is not necessary to think alike in order to talk."

Meanwhile, the foreign minister categorically ruled out the possibility of establishing contacts with the leaders of the so- called "Democratic Platform," led by Carlos Alberto Montaner, who is accused of being one of the U.S. instruments in its strategy to suffocate the Cuban revolution.

Robaina asserted that the pronouncements of that organization and its principal leaders—he did not mention any names—"have been filled with ups and downs," and he recalled Cuban has reiterated its position on them.

"They must be more transparent, much cleaner, much clearer in their actions regarding Cuba in order to hold a dialogue of understanding," he noted, and added: "It is very difficult to speak of understanding, on the one hand, and surrendering the country, on the other."

"Under the rules of the game," he emphasized, "I have absolutely nothing to talk about with the Democratic Platform."

When questioned on the possibility of holding a dialogue with the so-called internal opposition, Robaina explained that it lost its credibility when it surrendered to those who try to support it from abroad, when it sought to gain importance and played along with those elements abroad who have tried to undermine the accomplishments of the revolution.

Robaina Visits Canary Islands

FL1009023994 Havana Radio Rebelde Network in Spanish 1700 GMT 9 Sep 94

[Report by correspondent Barbara Betancourt; from the "National Radio News"]

[Text] Foreign Minister Roberto Robaina has met frequently with the Canary Island press corps in the short time that he has been in the Canary Islands. He granted the (?Antenna Three Network) an exclusive television interview. The Canary Island press, like all Spanish press, has been very interested in details on the current situation in Cuba, in relations with Spain, in the migration negotiations in New York, and in Robaina's meetings with representatives of the so-called moderate opposition within the Cuban emigre community.

He made his first comments to the press upon arriving at the airport in Las Palmas. Robaina emphasized the positive results of all the activities in the Canary Islands, the understanding and respect he has been shown in his official interactions, and the rejection of the U.S. blockade of Cuba that he has heard. Robaina said that there is no reason to be overly optimistic, that negotiations with the United States continue, and that both parties had demonstrated interest in reaching an agreement on the issue. Robaina also addressed issues related to those brought up by the press in his interviews with his host, Hermoso Rojas, and Pedro Lezcano, president of the Gran Canaria island council. Robaina is currently meeting members of the Canary Island platform against the blockade of Cuba, who have organized many solidarity demonstrations since his arrival.

Robaina Attends Reception at Embassy in Madrid

PA1309043594 Havana PRENSA LATINA in Spanish 0231 GMT 13 Sep 94

[By Alfredo G. Pierrat]

[Text] Madrid, 12 Sep (PL)—On the occasion of Cuban Foreign Minister Roberto Robaina's visit, Javier Solana and Carmen Alborch, the Spanish foreign and culture ministers, respectively, attended a diplomatic reception at the Cuban Embassy here today.

This was one of the leading moments of Robaina's intense work schedule today. This is the seventh day of Robaina's official visit to the country.

More than 200 guests crowded the diplomatic headquarters of the Caribbean island; its ample halls turned out to be too small because the Cuban minister's visit has sparked such great interest.

Secretaries of state and top-level officials from several ministries, deputies and senators, union leaders, businessmen, print and television media board directors, and Cuban solidarity association representatives filed one behind the other to greet the minister and Ambassador Rosario Navas.

Among those who attended the event were Julio Anguita, the general coordinator of the United Left Coalition; Candido Mendez, the secretary general of the General Workers Union (UGT); Carlos Solchaga, the former economy and finance minister; dancer Antonio Gades; and others.

Also present were Alicia Alonso, prima ballerina and director of the Cuban National Ballet, and Cuban singer Omara Portuondo.

Caribbean diplomatic sources highlighted the importance of the guests and how many of them attended the event; some came expressly for the engagement from the interior of the country. The sources were of the opinion that this reflected the good condition of Spanish-Cuban relations and the possibilities that have opened with Robaina's visit to the country.

The Cuban minister's work schedule started today with a visit to the Spanish Senate, where he was received by its president, Socialist Juan Jose Laborda. He also met with presidents and spokesmen of the foreign and Latin American commissions in the Senate.

Later, he visited the Congress of Deputies, which is the main parliamentary chamber in the bicameral General Courts, where he also met with its president and Foreign Commission representatives.

The representatives of the conservative Popular Party (PP) presented formal apologies and did not attend the meetings with the Cuban foreign minister at the Senate and Congress of Deputies.

With the exception of the PP deputies, the rest of the congressional Foreign Commission representatives expressed to the Cuban foreign minister their opposition to the U.S. blockade against the island. The meeting lasted more than two hours and Robaina considered it to be "an important exchange of points of view."

Asked about the absence of the PP representatives, Robaina said: "I do not need their presence to know their positions, but I believe they lost an exceptional opportunity, because it is not the same thing to say things through a newspaper as it is to say them face to face."

In one way, the minister's reply depicts the Cuban leadership's constant willingness to defend its political project through dialogue. The Cuban leaders are always responsive to the exchange of ideas in any place and with any interlocutor, and even more so under the island's current situation. This is the trend that has characterized Robaina's visit to Spain.

In the afternoon, the Cuban foreign minister visited the offices of the Superior Council of the Chamber of Commerce where more than 500 private businessmen from around the country awaited him. He gave them a thorough explanation about investment opportunities in Cuba.

The massive response of Spanish businessmen to this encounter was so great that it even surprised the organizers. The latter were forced to install large video screens in other rooms for those who were not able to access the meeting room to at least be able to see and listen to the Cuban minister via closed circuit television.

Roberto Robaina's visit, the first official visit of a Cuban foreign minister to Spain in a little more than a decade, enters its final phase tomorrow with a meeting scheduled to be held in the afternoon with the head of the Spanish state, King Juan Carlos I.

On Wednesday, Robaina is scheduled to give a news conference to the Spanish and foreign media at the Cuban Embassy here. After that, he will begin his trip back to Cuba.

Official Identifies Spain as Cuba's Main Investor

PA1109022794 Havana Radio Havana Cuba in Spanish 0000 GMT 7 Sep 94

[From the "Evening Information Review" newscast]

[Text] Spain is leading economic investment in Cuba with a strong presence in the tourism sector, the point from which relations between the two countries began and which were later diversified to include other sectors to which the island's government had given priority. Manuel Figueras, main adviser of the Foreign Investment and Economic Cooperation Ministry and a member of the Cuban delegation accompanying Foreign Relations Minister Roberto Robaina on his visit to the Iberian nation, made this statement.

Figueras said he will explain at the meetings scheduled with Spanish businessmen the economic opening policy and the true business opportunities that foreign investors have had in Cuba over the last seven years. He added that despite international campaigns to discourage potential investors from investing in Cuba, reality shows the island to be a stable nation whose strong government is offering guarantees for making a profit and expanding business.

Radio Cites Spanish Minister's Call To Lift Blockade

FL1209231494 Havana Radio Rebelde Network in Spanish 1700 GMT 10 Sep 94

[From the "National Radio News"]

[Text] Spanish Foreign Minister Javier Solana has asked the United States to lift the blockade of Cuba, in light of the immigration agreement that has been reached.

Solana said after meeting EC colleagues on the German island of Usedom that dialogue is clearly better than silence and that contact is better than isolation. He said that he favors anything that could bring Cuba and the United States closer. Solana added that he would take advantage of the informal meeting with European foreign ministers to brief them on his recent meetings with Cuban Foreign Minister Roberto Robaina in Madrid and on Robaina's first encounter with moderate figures in exile.

Robaina Concludes Visit to Spain

PA1409043994 Havana PRENSA LATINA in Spanish 0315 GMT 14 Sep 94

[By Alfredo G. Pierrat]

[Text] Madrid, 13 Sep (PL)—Cuban Foreign Minister Roberto Robaina ended a seven-day visit to Spain with an "extremely positive" interview with King Juan Carlos I, which will probably be a milestone in the history of bilateral relations.

The Antillean foreign minister began his visit on 7 September, the first visit by a Cuban foreign minister to Spain in a little over a decade.

At a time considered to be the worst for Cuba since the victory of the revolution led by Fidel Castro in 1959, Robaina's visit here confirmed the strength of a political project that refuses to perish under the conservative wave prevailing in the world.

Nothing new is expected to be said at the news conference promised by Robaina for tomorrow before he boards his return flight, because the Cuban foreign minister has probably left nothing unsaid. He has repeated almost everything in the numerous meetings held here with local and foreign journalists.

Cuba's voice—the voice which he himself has described as one of Havana's steadfast principles, along with the island's independence and sovereignty—has been heard over and over again in Madrid and other Spanish cities visited by the Cuban foreign minister throughout the week.

That voice, relayed by a foreign minister who breaks with all the formalities of his post and who describes himself as a "self-made" diplomat, not "a career" diplomat, has apparently found receptive ears in Spain.

Perhaps we can mention as an example the nearly 2,000 people who filled the Labor Commission auditorium [Teatro de Comisiones Obreras], one of Spain's largest labor unions, to listen to Robaina, or the nearly 500 businessmen who participated yesterday in a meeting with the foreign minister to learn of the island's foreign investment opportunities.

We may also mention the insistence of major media that they obtain interviews—many of them granted—or the constant references to the Cuban delegation in newspapers, magazines, and television newscasts over the past few days.

The monarch "truly wishes that whatever the Cuban people decide— and it is up to the Cubans alone to decide—is totally successful. He not only wants to show Spain's understanding, respect, and affection, but to ratify what he, on several occasions, has discussed and will continue to discuss with Fidel Castro at the summits," he said. [sentence as received]

The Cuban foreign minister summarized the meeting he had just held with the Spanish king, emphasizing "his affection, spirit, frankness, and gratitude for the greetings sent to him by Fidel Castro, and a conversation in which he not only listened but constantly asked questions to get information."

"This visit could not have had a better conclusion than a meeting with the king," the Cuban leader asserted.

Asked if he had invited the king to visit Cuba, the only topic which the Spanish media had noted tonight as the topic of the interview, Robaina said he did not mention anything about it to the king.

He recalled that the king was invited to Cuba a long time ago and added that this visit will be made when the king deems it appropriate.

[Words indistinct] Felipe Gonzalez, the Madrid media highlighted only the discrepancies of the hosts with the Cuban political project.

"Not only are there differences with Cuba, but Cuba also has differences with others," the Cuban foreign minister told PRENSA LATINA today, upon assessing the results of the visit.

In this regard, he highlighted that Cuba does not want to turn the points of disagreement into the focus of its international relations. However, when there are differences—he argued—the differences with Cuba would not be the only ones on the table, but also those Cuba maintains with things that exist in this world and which the country does not share.

Cuba knows how to listen, but it also has many things to say, the minister said days ago at a meeting with journalists, at which time he affirmed his country is not ready to permit systematic attempts to place it in the accused stand.

For Robaina, this visit to Spain has been "extremely useful" because, above all, "possibilities for exchange that have existed for a long time were opened up and analyzed."

"Today Cuba knows much more about Spain and its positions, regardless of our differences, and Spain knows much more about Cuba," the Cuban foreign minister explained. He added that in Spain "there is a greater understanding of what is being done in Cuba and the circumstances under which they are being done."

According to the head of Cuban diplomacy, "there are significant opportunities to listen and to be heard, and significant room for differing viewpoints."

For Robaina the basic point is that "there are many things that unite us. We have advanced, above all, on the things that unite us."

On the basis of absolute respect, this visit demonstrated that even though we maintain our differences, we can still pay positive visits, we can understand each other better, and we can clear the way, the foreign relations minister concluded.

Article on Challenges for Panama's President

PA0809170494 Havana PRENSA LATINA in Spanish 0921 GMT 7 Sep 94

["Exclusive" article by Hugo Luis Sanchez: "Panama: 'El Toro' in the Bullring"]

[Text] Ernesto "El Toro" Perez Balladares is now sitting in the presidential chair in the Palace of the Herons and has five years to change the nation's course or allow the Republic to sink even deeper into the mud of the Panama Canal.

It will not be an easy time. If fact, it will not be at all easy, judging from all the problems he has inherited from his predecessor Guillermo Endara, who in December 1989 was invested as the head of state on a Southern Command military base as the United States completed its military occupation of the country.

"El Toro," a nickname that describes his corpulence and temperament, said he was aware of the conditions under which he received his mandate. As proof of this, during his inaugural speech on 1 September, he declared a merciless war on crime.

The origin of all these troubles is the fact that Panamanian society is sick with splendor and misery, with glass buildings and cardboard shacks, and with the obese—some of them notoriously so—and the starving. There are few places in the world where the wealth is as poorly distributed as in Panama, where 50 percent of the population lives in poverty.

These numbers can be illustrated by poor children: each month there is an increase in the number of children dressed in rags who, instead of attending school, approach drivers waiting for traffic lights to change to clean their windshields in return for a few pennies.

Faced with the indifference of the ruling class, this inequality—deeper than the Canal's locks—has grown. Related to this, a sustained increase in crime—a 150 percent increase in the last five years—has been observed.

If one is aware that the country only has 2.5 million inhabitants and that streams of dollars flow through the isthmus from the Canal—the only path that expedites passage between the Pacific Ocean and the Caribbean Sea—and one of the most important free zones in the world (in Colon), it is almost incomprehensible that 25 percent of the population lives below the extreme poverty level.

The 48-year-old Perez Balladares promised to end this inequality. Others also have made this promise, but for now Perez Balladares has decided to begin with the most urgent, or most evident, problems. Perez Balladares has decreed a national state of emergency to wage a heavy handed war on crime so that the citizens may begin to regain their lost security.

More Drugs, More Dollars, More Corruption

The common criminal is easily identifiable anywhere, but the new president's problem lies in the instruments he possesses to abolish crime, because the police, the courts, and a large number of the public offices are affected by corruption. In short, he must wage a war on two fronts.

Corruption—that worldwide plague that has even been the object of a reprimand by the pope—is also linked to drug trafficking, another advantage Panama enjoys due to its geographic position bordering Colombia, the land of cocaine, and being a necessary ocean route for many ships destined for the United States, the market par excellence for illegal drugs.

Drugs have been making everything rotten in Panama, which is also an important money laundering center—thanks to the advantages given to banks allowing them to operate with money from dubious sources—and is increasingly becoming a market for drug consumption. The banks do not ask anything, as if "money has no odor" was their golden rule.

Buildings never grow as well, as fast, and as handsome, as when they are fertilized with cocaine. That can be seen in Panama's most exclusive neighborhood, Punta Paitilla, which today looks like a miniature New York. Endara himself owns property there.

Then, Perez Balladares' good intentions will not be sufficient to solve Panama's problem which, on the other hand, is either eradicated now, or the country will end up in the hands of drug traffickers. This would be ironic because the pretext for the U.S. invasion of Panama in 1989 was to end drug trafficking, which is now worse than ever.

Addressing the war on poverty, the brand new president said—apparently based on his experience as a successful businessman—that "democracy should not only be seen as a way to organize public life, but as an opening toward fairer development models."

This is what Perez Balladares, a founder and now leader of the Democratic Revolutionary Party (PRD) defines as the "social deficit," but there is not yet sufficient information to understand just what he is referring to.

For the time being, the president announced the sale of the electric and water companies which, like all state-owned companies, have inflated payrolls and are somewhat inefficient to the point of being one of the few places in Panama where you have wait in long lines to be attended.

The FMI and the World Bank insisted, among other things, on these privatizations, but Endara, who governed from strike to strike, was never able to privatize them due to resistance by the unions.

However, it is hard to reconcile the "social deficit" and the fight against poverty—two crucial issues in the presidential election campaign that gave the victory to the PRD standard bearer—and at the same time, facilitate dismissals in a country in which 13 percent of the work force is already unemployed.

The current presidential term will end in 1999. In Panama this means one year before the completion of the transfer of all U.S. installations in the Canal area to Panama in keeping with the 1977 Torrijos-Carter Treaties.

Perez Balladares participated in these negotiations as part of the negotiating team, and now it will be his responsibility to accept these installations and administer them, which today is almost as difficult for the Panamanians as negotiating the Treaty was. In any event, "El Toro" is now in the bullring.

British Trade Official Arrives for 3-Day Visit

PA1209165794 Havana PRENSA LATINA in Spanish 1021 GMT 12 Sep 94

[Text] Havana, 12 Sep (PL)—Arriving on a three-day visit to Cuba today, Ian Taylor, British undersecretary of state for trade and technology, stressed the broad prospects for British- Cuban exchange.

Taylor, who was met at Jose Marti Airport by Cuban Foreign Trade Minister Ricardo Cabrisas, is accompanied by 16 businessmen from different economic sectors interested in conducting business with the largest of the Antilles islands.

Several British companies are following with special attention the prospects for investments here, said Taylor, the first member of the British cabinet to visit Havana in 20 years.

"I want to see for myself the progress of the economic reforms being introduced," the minister stated in London shortly before beginning his trip.

He predicted that if this nation succeeds in the difficult transition toward a more market-oriented economy and achieves economic development for its people, more business opportunities will be opened to British firms.

During their stay in Cuba, the visitors have scheduled meetings with Foreign Trade Minister Ricardo Cabrisas, Finance and Prices Minister Jose Luis Rodriguez, Basic Industries Minister Marcos Portal, Foreign Investment and Economic Cooperation Minister Ernesto Melendez, Sugar Industry Minister Nelson Torres, and Agriculture Minister Alfredo Jordan.

They will also meet with the heads of the National Bank, Civil Aeronautics, and the Cimex [expansion unknown] and Cubanacan [Cuban Tourism and International Trade Corporation] corporations.

They also plan to tour the provinces of Cienfuegos, in Cuba's south central area, and Ciego de Avila, on the north central coast, and the Cayo Coco tourist center.

A note released by the British Embassy in Havana on the occasion of the visit stressed "the opportunities for joint ventures and other cooperation projects at a time when reforms in Cuba are beginning to open the economy to foreign participation."

In the first half of this year, British exports to this nation were 180 percent higher than in the same period in 1993, when they registered a 50 percent drop compared to those in 1992.

The important British group Unilever, involved in the area of household products, recently invested in the Cuban soap and perfume industries, while other firms like ICI, in the chemical area, have representation offices in the Caribbean country.

First To Visit in 20 Years

FL1309182094 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 13 Sep 94

[From the "NTV" newscast]

[Text] Ian Taylor, British undersecretary of state for trade and technology, and the delegation accompanying him held official talks with Cuban Foreign Trade Minister Ricardo Cabrisas. Correspondent Nelson Pardino has more information on the meeting.

[Pardino] The British business delegation is composed of 15 businessmen, including the directors of very important enterprises in that European country. In a news conference held upon his arrival in Havana, Taylor said that the United Kingdom is interested in helping Cuba achieve a better position in its trade relations. According to Taylor, there are many opportunities to strengthen bilateral relations.

[Begin recording in English, with passage by passage translation into Spanish] [Taylor] British industry is very diverse and we are capable of doing a lot of trade with Cuba. It concerns me that we are well behind many of our continental European partners in the European

Union, and well behind two members of NAFTA, Mexico and Canada. [end recording]

[Pardino] This is the first visit to Cuba by a British minister in the last 20 years. The mission will evaluate opportunities for the creation of mixed enterprises. According to Taylor, its interests include sugar, tobacco, tourism, oil, aviation, and construction, among others sectors. Taylor reiterated the British position on subjecting economic relations to ideological differences and in that sense expressed opposition to the U.S. blockade of Cuba.

[Begin recording in English, with passage by passage translation into Spanish] [Taylor] We have not accepted any of the extraterritorial claims made by the U.S. Government, from the point of view of trying to influence British companies established in the United States. We have taken a very firm stand on that. [end recording]

[Pardino] The British business and trade mission will be in Cuba until next Wednesday. Its agenda includes contacts with the heads of the main sectors of the national economy as well as the evaluation of agreements for the promotion and protection of investments.

Minister To Tour Cienfuegos Oil Refinery

FL1309232194 Havana Radio Rebelde Network in Spanish 1700 GMT 13 Sep 94

[From the "National Radio News"]

[Text] Ian Taylor, British undersecretary of state for trade and technology, and the delegation accompanying him will visit Ciego de Avila and Cienfuegos Provinces in an attempt to strengthen bilateral economic relations. Taylor and his delegation will tour the Cienfuegos oil refinery and will visit tourist facilities in the northern keys of Ciego de Avila, where Spanish companies have made large investments. The British delegation includes specialists from the tobacco, construction, and banking sectors, as well as 16 businessmen. Final details are being worked out for the signing of an agreement on promotion and protection of joint investments.

Minister, Businessmen Tour Island

PA1409040894 Havana PRENSA LATINA in Spanish 0406 GMT 13 Sep 94

[By Elsy Fors]

[Text] Havana, 13 Sep (PL)—Sugar production, oil, and tourism are among the main interests of the UK officials and businessmen who today are visiting Cuba's Cienfuegos and Ciego de Avila Provinces and the Cayo Coco Tourist Center.

Ian Taylor, British undersecretary of state for trade and technology, and representatives of UK British firms arrived in Cuba yesterday. This is the first time a UK minister has visited Cuba in almost 20 years. Their tight three-day schedule included meetings on Monday with Foreign Trade Minister Ricardo Cabrisas; Finance and Price Minister Jose Luis Rodriguez; Octavio Castilla, the deputy foreign investment and economic cooperation minister; acting National Bank President Luis Gutierrez. A visit to the Partagas cigar factory was also on the schedule.

The UK officials and businessmen are interested in getting in-depth information on the economic reforms in Cuba in order to evaluate the business opportunities offered by the island. They have admitted that in this respect they lag behind their counterparts in Canada, Spain, France, and Mexico, countries with a greater presence in the Cuban market.

Sources close to the UK delegation noted the possibility of their investing in agriculture, including sugar production, by providing agricultural supplies and guaranteeing a market in exchange for payment in kind.

Cienfuegos is a province with important industrial plans, including the building of chemical fertilizer factories, oil refineries, cement factories, and the first Cuban nuclear plant which, although its construction has been stopped, has prompted interest among European investors.

Ciego de Avila has one of the main citrus and other fruits plantation, as well as a few of the most important sugar-processing plants in the country.

Lastly, the Cuban hosts highlighted Cayo Coco as an example of the tourist centers developed with Spanish investors in the island's northern keys.

When they return to the capital, UK Ambassador Leycester Coltman will host a reception in honor of the delegation and its Cuban counterpart.

Minister: Debt Should Not Stop Trade

PA1409045194 Havana PRENSA LATINA in Spanish 0039 GMT 14 Sep 94

[By Elsy Fors]

[Text] Havana, 13 Sep (PL)—The existing debt is an obstacle but should not stop the expansion of trade and investments in Cuba, Ian Taylor, British undersecretary of state for trade and technology minister, stated today during his tour to the interior of the country.

The official, who arrived at the head of a UK Government and private sector delegation on Sunday, suggested that before he leaves, he expects to initial a government investment protection agreement, which is the main objective of his visit.

In an exclusive interview with PRENSA LATINA, the highest-ranking British official to visit Cuba in the past 20 years urged the banks in both countries to find methods among the current financial mechanisms to eliminate the debt, which totals approximately $60 million. Among the mechanisms he mentioned was payment of the debt with assets or products.

After meeting yesterday with the ministers of almost all economic sectors, as well as with Vice President Carlos Lage, Taylor said he had the impression that the economic reforms implemented by Cuba were not merely ideas that would vanish tomorrow.

The detailed discussions I have held are enough to give me confidence in the seriousness of the changes that, as Foreign Trade Minister Ricardo Cabrisas has stated, are irreversible.

We cannot, however, ignore, the magnitude of the economic problems faced by the country, he said. He also noted the dramatic decrease in the trade volume which, according to Taylor, will take years to recoup. Cuba will have to compete in the international market against countries with regulated prices, he noted.

The minister indicated that, as seen in the make-up of the British delegation, they are interested in many areas of the Cuban market. He expressed optimism over the possibility of establishing joint ventures [previous two words in English] in several areas.

Taylor insisted that "British business with Cuba has not been negatively affected by the U.S. embargo" because the United Kingdom has maintained a firm position supporting the companies that operate in its territory.

While visiting energy and tourism installations in Cienfuegos and Ciego de Avila Provinces, the head of the UK delegation was accompanied by Cuban Foreign Trade Minister Ricardo Cabrisas, Basic Industry Minister Marcos Portal, and acting Foreign Minister Isabel Allende, as well as by the ambassadors of both countries and party leaders in the areas visited.

Roundup of Economic Developments

FL0709171094

[Editorial Report] The following is a compilation of reports on economic developments monitored from 31 August to 13 September.

Workers of the sulfur plant of Minas de Matahambre Municipality in Pinar del Rio produced over 13,000 tons of sulfuric acid, essential in the fertilizer and nickel industries. The plant, which had been closed for over 10 years before reopening in 1994, also produced approximately 200 tons of electrolitic solution for batteries. (Havana Radio Reloj Network in Spanish 1948 GMT 31 Aug 94)

Agricultural scientists in Santiago de Cuba have increased the number of research projects to find fertilizer alternatives, due to their shortage during the special period. Nine centers for production of biological control methods, in addition to 14 centers for the reproduction of entomophagous agents and entomopathogens, had been created to combat agricultural pests. The province's pest control efforts have been highly successful. (Havana Radio Reloj Network in Spanish 1956 GMT 31 Aug 94)

In Ciego de Avila, for the first time in three years, the Raul Martinez Electrical Plant is online, with all three units functioning and producing 25 megawatt hour. (Havana Radio Reloj Network in Spanish 1956 GMT 1 Sep 94)

In San Juan y Martinez Municipality, Pinar del Rio Province, the number of farmers dedicated to growing tobacco has increased by 278 since 1993. The farmers participate in the use and production land program, with a little over 50 caballerias. (Havana Radio Reloj Network in Spanish 1953 GMT 2 Sep 94)

Following a major overhaul estimated at 2 million pesos, the operational and production start up of plant no. 2 is underway. This oil refining plant is part of the Nico Lopez complex in Havana. According to chief engineer Ricardo Aman, piped gas could be supplied within 15 days when another of the plants that produces manufactured gas is repaired. It was also announced that more than 400 workers, in over than three months, repaired electric equipment and instruments, and n 180- meter-high smoke stack. (Havana Radio Rebelde Network in Spanish 0900 GMT 3 Sep 94)

First phase of repairs at the Frank Pais and Cerro Guayabo salt production facilities have been completed. Both facilities sustained extensive damage during the November 1993 and May 1994 rains registered in Caimanera Municipality, Guantanamo Province. Another 10 km of dams and drying areas have yet to be repaired. (Havana Radio Rebelde Network in Spanish 2300 GMT 4 Sep 94)

On 8 September, (Catherine Bertini), executive director of WFP, will complete a busy work schedule with a tour of the Las Tunas milk project, sponsored by the WFP at a cost of $23 million. Throughout the years of WFP-Cuban cooperation, the WFP has distributed $58 million worth of powdered milk, cooking oil, and butter. The latest project will contribute to infant nutrition in 12 regions of Cuba by distributing powdered milk to pregnancy centers. (Havana Radio Reloj Network in Spanish 0135 GMT 5 Sep 94)

In a special session of the Provincial Assembly of the People's Government, Santiago de Cuba municipality announced a 9-million-peso reduction in the budget deficit, resulting from steps taken to improve internal finances and improve business revenues. (Havana Radio Reloj Network in Spanish 0139 GMT 5 Sep 94)

Six of the 42 Basic Cooperative Production Units in Matanzas Province are operating profitably. Repairs at the Antonio Guiteras Electric Plant are progressing as scheduled and will be completed by 28 September. (Havana Radio Rebelde Network in Spanish 0900 GMT 5 Sep 94)

A factory is being built in Sancti Spiritus Province to make soy-based yogurt, for children between seven and 13 years of age. Production—up to 8,000 liters a day—is scheduled to begin in October. The factory will also produce soy- based cream cheese, ice cream, and liquid and powdered milk. (Havana Radio Rebelde Network in Spanish 1700 GMT 5 Sep 94)

The provinces of Santiago de Cuba, Guantanamo, Holguin, Las Tunas, Ciego de Avila, and Camaguey are currently using a vaccine against porcine cholera, which was developed in Camaguey Province by the province's biotechnology institute. The vaccine production began in January 1994. (Havana Tele Rebelde and Cubavision Networks in Spanish 0000 GMT 6 Sep 94)

Technical difficulties in several of Cuba's generating units have made it impossible for these units to handle the electricity transmitted by the Antonio Guitteras Electric Plant in Matanzas. Due to these difficulties, there will be outages of up to 14 hours per circuit. Specialists have advised that due to these breakdowns, Cuba's electrical service will not be able to generate 1,000 megawatts. (Havana Radio Rebelde Network in Spanish 0900 GMT 6 Sep 94)

In Holguin Province, estimates indicate that the current coffee harvest will produce 621,000 cans of coffee. (Havana Radio Rebelde Network in Spanish 1155 GMT 6 Sep 94)

In September, the Marcel Bravo drum factory in Santiago de Cuba will finish production of 8,000 55-gallon metal drums for Cuba-Castrol, SA, doubling the volume produced in each of the last two years. (Havana Radio Rebelde Network in Spanish 1700 GMT 6 Sep 94)

During the next two years, Cubanacan will increase its total number of tourist rooms by 2,000. The Comodoro Hotel will increase its capacity by 175 bungalow-type rooms, which will be completed in the first months of 1995. During the first six months of 1994, the hotel accommodated 17,000 tourists and had an income of over $6 million. (Havana Tele Rebelde and Cubavision Networks in Spanish 0000 GMT 7 Sep 94)

Between 3 May and 31 Aug 94ust, in Sagua la Grande Municipality, Villa Clara Province, members of the Youth Labor Army [EJT] harvested over 1,980 quintales of tubers and vegetables, mostly yams. (Havana Tele Rebelde and Cubavision Networks in Spanish 0000 GMT 7 Sep 94)

Higher Education Minister Fernando Vecino Alegret stated that the costs involved in the 60 higher education centers, imparting classes to 150,000 students, is 200 million pesos. (Havana Tele Rebelde and Cubavision Networks in Spanish 0000 GMT 7 Sep 94)

The Ocho de Marzo Pharmaceutical Company of Cotorro Municipality, Havana City Province, has nearly finished producing $5 million in antibiotics for export to Brazil. The Cuban pharmaceutical industry will export $30 million worth of products during 1994. (Havana Radio Progreso Network in Spanish 1100 GMT 8 Sep 94)

Cienfuegos Province wants to develop 18 organic orchards in 1994, covering over 3,000 square meters. Of the nine orchards that are already producing, one covering 1,700 square meters has already shown good results. The orchard has a windmill and two water holes and employs four. All of the organic orchards are expected to be completed by 10 October. (Havana Radio Rebelde Network in Spanish 0900 GMT 8 Sep 94)

Authorities are scheduling agricultural machinery repairs before the '94-'95 sugarcane harvest begins. Only 68 percent of the equipment had been repaired by the end of August. (Havana Radio Rebelde Network in Spanish 0900 GMT 8 Sep 94)

Matanzas Province produced 552,000 tonnes of oil by the end of August, 98 percent of the goal for the period. The goal for the year is 888,000 tonnes. (Havana Radio Progreso Network in Spanish 1100 GMT 9 Sep 94)

Ciego de Avila Province chicken farmers produced over 46 million eggs between January and August. (Havana Radio Progreso Network in Spanish 1100 GMT 9 Sep 94)

Guantanamo Province is expected to produce over 2 million cans of coffee this year. Over 15,000 members of the Federation of Cuban Women will participate in the province's coffee harvest. (Havana Radio Rebelde Network in Spanish 0900 GMT 9 Sep 94)

Almost 900 houses have been constructed in Sancti Spiritus Province to date, thanks to the efforts of the public, construction brigades, the Revolutionary Armed Forces, the Sugar Industry Ministry, and the Interior Ministry. Over 50 percent of these are low-cost houses. This year's construction goal is 1,000 houses. (Havana Radio Reloj Network in Spanish 1947 GMT 13 Sep 94)

Pinar del Rio Province dairy workers are producing 30,000 liters of soy yogurt per week, just short of the province's demand. Authorities in the capital distribute one liter per child aged 7-13 twice a week. (Havana Radio Reloj Network in Spanish 1947 GMT 13 Sep 94)

This year's sugarcane planting goal for the Siboney agroindustrial complex, in Camaguey Province, is 90 caballerias. A total of 15 caballerias have already been planted and eight caballerias have been weeded. Eight Basic Cooperative Production Units will supply the complex with sugarcane. Hopes are high for the forthcoming sugarcane harvest. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 11 Sep 94)

The enterprise that gathers raw materials in Ciego de Avila Province has salvaged 7,500 tonnes of scrap metal, surpassing its goal. The enterprise's export goal of 1,700 tonnes of scrap iron has already been met and has earned over 140,000 pesos to date. This has been achieved by cutting costs and increasing productivity. (Havana Radio Rebelde Network in Spanish 0900 GMT 13 Sep 94)

UN Official Praises Cuban Dairy Project

PA0909211494 Havana PRENSA LATINA in Spanish 0139 GMT 8 Sep 94

[Text] Havana, 8 Sep (PL)—A high-ranking official of the UN World Food Program today termed a dairy project in the eastern province of Las Tunas successful. According to the official, this project could be very beneficial for Cuba.

Catherine Bertini, the program's executive director, said that the plan, which is being implemented with assistance from her organization, has increased dairy production in Las Tunas; in other words, the plan is effective.

The main objective is to increase milk production throughout the country to ensure the supply of this staple to all Cuban children, Bertini said on the National Television Newscast [NTV].

She added: The increase in Las Tunas dairy production will improve the condition of local peasants, and their experience will be used to secure dairy production increases nationwide.

Bertini said she is glad to be on this Caribbean island during the first week of school when children are already being supplied with milk sponsored by her food program.

The plan also includes pregnant women. They and the children are the groups that get priority attention from the World Food Program because they need better nutrition, the expert said.

According to the UN official, the project being implemented by Cuba serves as a model for Latin America and other countries participating in the World Food Program.

The international institution cooperates with 90 Third World nations. It has been investing money in Cuban projects since 1976.

Gas Company Head Interviewed on Gas Shortages in Havana

FL0909162394

[Editorial Report] Havana Radio Rebelde Network in Spanish at 1155 on 8 September carries an interview with Dimas Gonzalez, head of Havana's manufactured-gas company, by reporter Orlando Gonzalez. Program is hosted by Ana Margarita Gil.

Orlando Gonzalez begins the interview by asking Dimas Gonzalez to respond to specific complaints about the lack of gas service that customers had called in to the radio station. Dimas Gonzalez responds with characteristically placating statements to each question.

Reporter Orlando Gonzalez states that the media has not had a chance to visit the plants to discover the causes of the sporadic gas service. He asks Dimas Gonzalez to confirm the Ministry's plan to install alternate lines to maintain continuity of service.

After a few seconds of silence Dimas Gonzalez responds: "Yes (pause). I suggest we take a short break and then we will continue with this issue of...."

While Dimas Gonzalez gropes for words, someone in the studio demands: "Why do you not you answer the question?"

Ana Margarita Gil interrupts, noting programming constraints and advising that he had two minutes to answer the question. Dimas Gonzalez answers the question, citing all expansion plans, adding that they will take approximately two years to complete. Orlando Gonzalez attempts to press him further by asking if Havana residents can then expect uninterrupted, 24-hour gas service upon completion of the new system, and if the gas company will routinely expand its capacity.

When he brings up the matter of improving customer service, Ana Margarita Gil interrupts, stating they are out of time.

Power Outages Extended Until End of Month

PA0909202194 Mexico City NOTIMEX in Spanish 1718 GMT 8 Sep 94

[Text] Havana, 8 Sep (NOTIMEX)—It was reported today that the 10-12 hours of daily power outages in the capital and main Cuban cities may last until the end of this month.

More than 200 technical workers and laborers of the most efficient thermoelectric power plant on the island in the western province of Matanza "are working to get their installation up and running on the 28th," a spokesman for the Union Electrica state company reported today.

A note in today's edition of the official daily GRANMA indicated that the "Antonio Guiteras" plant, which generates 330 megawatts, has sustained some damage to its boiler and in other components detected during normal maintenance.

Engineers consulted by NOTIMEX indicated that the use of domestic crude, 835,000 tons of which was used last year to generate 30 percent of electricity needs, damaged the boilers because of its high sulfur content.

The GRANMA note is the first official notification on the resumption of power outages that, for at least three days a week, leaves a broad sector of this capital's 2.3 million residents without power and light.

The extended power outages were reactivated just before the 1 October increase in higher electricity tariffs as part of the government's plan to clean up the economy.

The lack of lights on the streets and in the homes have, according to witnesses, resulted in increased night assaults on people riding bicycles, sitting in parked vehicles, or shopping in state-run stores.

Outages also take place during the day when laborers and workers are getting ready to go to work and when housewives, who are already affected by a lack of cooking gas, are about to cook on their electric stoves.

Most of the thermoelectric plants on the island under maintenance—either completely shut down or operating at reduced capacity—are working under "severe limitations resulting in extended power outages," it was officially reported in April.

The thermoelectric plants "are currently in need of parts which limits their capacity to respond in an efficient manner to public demand," according to the Basic Industry Ministry, to which the Union Electrica belongs.

Marco Portal, that sector's minister, reported that 66 percent of the generating capacity of 3,132 megawatts comes from plants built by the former Soviet Union and Czechoslovakia.

The government indicated that the current renovation plans, for which $10 million was earmarked, will allow the recovery of only 60 percent of electrical capacity at the end of 1994.

Even the repair of the "Antonio Guiteras" plant only guarantees electricity for 120 days, a period during which other plants can initiate their maintenance programs or suffer further damage.

In this situation, blame is placed on the lack of foreign crude after Cuba cut its import of 13-million tons of crude in half when it lost its former main supplier.

Havana Falls Short in Spring Crop Planting Campaign

FL1009125794 Havana Radio Rebelde Network in Spanish 1700 GMT 9 Sep 94

[From the "National Radio News"]

[Text] Havana recently completed the spring mixed crop planting campaign. Even though great efforts were made in the past few days, they were short of their 1,827-caballeria goal by more than 24 caballerias. Correspondent Ivon Arvelo has more information:

[Arvelo] In a commentary printed in the newspaper EL HABANERO, reporter Leonaldo Cuesta explains that the delays were mostly in the yam crops. Party leadership in the province had instructed workers to give greatest attention to the yam crops. The causes of the delays were tightly linked to the lack of planning in the preparation of the soil and the unavailability of seeds—circumstances that must not repeated. From this point on, it is imperative that workers give crops the required care and maintain the [words indistinct] activities that are necessary in order to obtain desired results. In another part of his analysis, reporter Leonaldo Cuesta states that the Havana's agriculture faces a winter season planting campaign superior to that of the spring. Workers must keep in mind that they must reach their goals in quantity and variety. It is necessary to get as much done during the rainy season and not leave for tomorrow what we can do today.

Bahamas

Defense Force Picks Up Cuban Refugees

FL1009175394 Nassau Bahamas Radio Network in English 1130 GMT 9 Sep 94

[Text] The Royal Bahamas Defense Force has come to the rescue of another 21 Cubans on the high seas. This group, like others in the past, was trying to get to Florida to escape hardship in their homeland. HMBS (The Manor), under the command of Lieutenant Commander Raymond Farquharson, intercepted eight Cubans last Saturday about 35 miles northeast of Cay Lobos. Thirteen others were picked up by a fishing vessel, the Juliana, and were dropped off at Ragged Island. The Cubans were expected to arrive in the capital last night [words indistinct] by immigration authorities.

Barbados

More Cabinet Members Take Office

FL1309013394

[Editorial Report] Castries HTS Caribvision Television in English at 1945 GMT on 12 September, during the regularly scheduled "Caribbean Evening News" program, reports that more members of Barbados's new cabinet have taken office.

The announcer begins: "Barbados Prime Minister Owen Arthur's new 12-member cabinet was sworn in at Government House. Those taking the oath of office were the Barbados Labor Party's two other elected females, seven ministers, and three parliamentary secretaries."

A recorded report by correspondent Sophia Allsup is then carried, during which Allsup lists the new cabinet as follows:

Agriculture	Rawle Eastmond
Business Development	(Reginald Farley)
Commerce	(Reginald Farley)
Community Development	Rudolph Greenidge
Culture	Mia Mottley
Defense & Security	Owen Arthur
Education	Mia Mottley

Environment	(?Richard Cheltenham)
Health	Elizabeth Thompson
Housing	George Payne
Industry	(Reginald Farley)
Information	Owen Arthur
International Transportation	(?Richard Cheltenham)
Labor	Rudolph Greenidge
Public Works	George Payne
Rural Development	Rawle Eastmond
Sports	Rudolph Greenidge
Tourism	(?Richard Cheltenham)
Transportation	George Payne
Youth Affairs	Mia Mottley
Minister of State in the Foreign Affairs Ministry	(Philip Goddard)
Minister of State in the Prime Minister's Office	(Gline Murray)
Parliamentary Secretary in the Education, Youth Affairs, and Culture Ministry	(Cynthia Ford)
Parliamentary Secretary in the Finance and Economic Affairs Ministry	(Tyrone Barker)
Parliamentary Secretary in the Housing Ministry	Gline Clarke
Parliamentary Secretary in the Public Works and Transportation Ministry	Gline Clarke

Allsup then cites Prime Minister Owen Arthur's remarks following the swearing-in ceremony: "Speaking to reporters after the ceremony, the prime minister said that the noninclusion of some of his former cabinet ministers does not mean that they have no serious role to play in the new government. He maintains that job number one is still jobs."

Allsup closes the report: "The prime minister is also reported to be having consultations with other Caribbean heads of state this evening."

Dominican Republic

'Source' Reveals Details of U.S. Invasion Plans on Haiti

PA1309201794 Madrid EFE in Spanish 1716 GMT 13 Sep 94

[Text] Santo Domingo, 13 Sep (EFE)—The U.S. plan to invade Haiti provides for part of the troops to isolate, from the Haitian side, extensive border areas with the Dominican Republic and from there, to sweep the nation toward the west until they link up with soldiers sent to Port-au-Prince.

According to a source close to the recent political and military contacts between the United States and the Dominican Republic, who asked to remain anonymous, this plan is both a wise tactical move and corresponds to a request by the Dominicans who fear a Haitian exodus in the wake of the invasion.

According to this source, several hours after the occupation of the strategic points in Port-au-Prince and surrounding areas by the special troops, light infantry troops would disembark on the north and south [Atlantic and Caribbean] coasts of Haiti, near the border with the Dominican Republic, by Montecristi and Pedernales.

From there, these soldiers would progress toward the interior until they deploy two lines parallel to the border that would cover two-thirds of the diving line between Haiti and the Dominican Republic.

According to these sources, the central area from Jeminio to Pedro Santana, which is the most mountainous, would be less protected and would be where the Dominicans, together with the U.S., Canadian, and Argentine "observers" should step up measures to prevent the entry of Haitian civilians and the escape of Haitian soldiers.

These troops would then sweep the Haitian territory (the extreme southeastern part of Haiti is only one hour from the capital) until they link up with swift intervention troops that would have disembarked in Port-au-Prince and that would have landed on the intermediate lines.

This information on the troops' actions in the interior of Haiti coincides with the news coming from the United States that speaks about the mobilization of the 10th Mountain Division, experts in swift intervention in open spaces—with the experience in Somalia—and with recent information on the movement of vessels near Montecristi and Pedernales.

The sources assured EFE that the Dominican authorities have expressed their concern to the United States about the consequences of a "frontal" attack on Port-au-Prince and of a sweeping toward the east, which could induce "an invasion of Haitians" into Dominican territory.

The Dominican Government received explainations that such an operation was not being considered because it would be tactically wrong, and the United States gave assurances that the land border would be protected from the Haitian side from the onset of the operation.

Even though the source did not identify the source of the U.S. information, the statements have been made just a few days after Strobe Talbott, assistant secretary of defense, visited Montecristi Bay and traveled great distances along the border, accompanied by the Multinational Observer Group and Dominican officers.

Talbott met that same day, 30 August, with Dominican President Joaquin Balaguer, who later said that the meeting was secret and could not give any details.

The source was asked whether disclosing this information would be harmful to U.S. military interests, and the source replied that "any Haitian sergeant who looks at a map" would know this is correct and that on the other hand, the United States prefers to face the Haitian military rather than have to look for them one by one.

The Dominican Government and Dominican political and economic leaders have shown ill will toward deposed President Jean-Bertrand Aristide, because they consider him "anti-Dominican" and because of his lack of statements criticizing the coupists [as received].

Ever since the possibility of a military occupation was suggested, the Dominican Republic has said that none of its soldiers would step into Haiti, that it should receive help to control the border to enforce the OAS and UN-decreed embargo—which has already taken place, with U.S. military vehicles—and that this embargo, and especially the military intervention, means a risk of a "Haitian invasion" of the Dominican territory.

When referring to a "Haitian invasion," the Dominican authorities mean that the exodus of civilians who may try to flee from the extreme poverty in Haiti and who may massively and illegally install themselves in Dominican territory, could cause, in the long run, a change in the country's "racial make-up," such as President Joaquin Balaguer warned in his book "The Reversed Island."

Balaguer and conservative political sectors—now and during the recent campaign for general elections in which opposition candidate Jose Francisco Pena Gomez, a black Dominican of Haitian descent, ran as candidate—exaggerated this "danger" in the form of an alleged "international plot" to "merge" the two countries.

Dominican Republic Refuses Entry to 17 Persons at Border

PA1409022894 Paris AFP in Spanish 0151 GMT 14 Sep 94

[Text] Port-au-Prince, 13 Sep (AFP)—A total of 17 persons—Haitians, who are U.S. residents, and citizens from European Union countries—were forced to remain in Haiti after they were refused entry into the Dominican Republic by land, one of them told AFP.

The travelers had written authorization from the Dominican Republic Foreign Ministry, but the military personnel at the border post said a written authorization from the presidency is now required to enter the country.

A female U.S. citizen was able to enter the country only by showing her passport, the source said.

All passports of the travelers were stamped with a note saying "returned."

Haiti

De Facto Foreign Ministry Calls U.S. Ships' Actions 'Barbarous'

FL1309154194 Port-au-Prince Radio Metropole in French 1045 GMT 13 Sep 94

[Text] The Ministry of Foreign Affairs in Port-au-Prince has called the incursions by U.S. warships into Haitian territorial waters barbarous. This act, I quote, is shameful for a country that wishes to be considered the champion of human rights. It is a matter for—at the end of the 20th century—diplomacy of gunboats, which was thought to be forever bygone.

That was a Ministry of Foreign Affairs statement.

Furthermore, the Haitian Foreign Ministry has asked the U.S. Embassy in Port-au-Prince to bring this matter to the attention of the U.S. Government.

Army: 'Measures Will Be Taken in Case of Intervention'

FL1309155394 Port-au-Prince Radio Metropole in French 1045 GMT 13 Sep 94

[Text] We have learned that the Army High Command met yesterday morning to analyze the current state of the crisis. An Army High Command member told us that the military institution intends to resist and not give way to pressure. According to this military official, who wishes to remain anonymous, the incursions of U.S. warships at the Port-au-Prince wharf are provocations. The officer explains that the United States wishes, by any means, to bring down the Haitian Army, but warns that measures will be taken in case of intervention. This high-ranking military officer wonders why the Americans do not try to conduct these kinds of maneuvers in Cuban territorial waters.

De Facto Government Sends 'Formal Warning' to U.S.

FL1309161894 Port-au-Prince Radio Metropole in French 1045 GMT 13 Sep 94

[Text] The provisional government calls incursions into Haitian territory by U.S. military equipment provocations.

We read: On the afternoon of 11 September, the Haitian sky was darkened by the presence of U.S. devices coming to disturb the peace of Haitian families and to exacerbate the moral suffering of young people who see their future signed away by the meanness and cynicism of those who for three years have maintained a murderous embargo on Haiti.

The provisional government of the Sovereign Republic of Haiti, strongly indignant at the repeated violations of Haitian maritime and air space, whose borders are protected by the Haitian Constitution and recognized by the international community, communicates to the foreign nations involved in these practices that they are, quote: illicit and intolerable, that these violations are offenses punishable by penalties provided by public and private international law. The government denounces, with utmost rigor, the scandalous, unacceptable behavior of the states that own the ships, helicopters, and planes involved in these incursions into Haitian territory, and sends a formal warning to the authors of these criminal acts.

The government of the Republic reasserts its steadfast determination to defend Haiti's territorial integrity at all costs and regardless of sacrifice. It asks all citizens to mobilize around the flag, the symbol of national sovereignty and dignity, and to remain confident in the fate of the greatness of the first black republic in the New World.

VOA Reports Aristide 'Green Light' to Invervention

FL1309212194 Port-au-Prince Radio Metropole in Creole 1045 GMT 13 Sep 94

[Statement by President-in-exile Jean-Bertrand Aristide carried by VOA during a broadcast in Creole on 12 September—recorded]

[Text] Having received the 16 December 1990 mandate and in light of UN Resolution 940 and the Governors Island Agreement, I give the green light to the operation. This path was not chosen because it is the path of violence but because it is the path that can lead us to a country where the rule of law and not weapons prevails. The weapons heard nationwide will fall silent upon my return. Those who hold weapons in Haiti and know that they have killed people, those who know that they have sponsored gunmen to kill people, I, the president of each Haitian, will not fall into the temptation of doing the same thing.

Belizaire Accuses U.S. of 'Odious Acts' of 'Aggression'

FL1309151394 Port-au-Prince Radio Signal FM in French 1700 GMT 12 Sep 94

[Text] Senator Dejean Belizaire firmly maintains his position, condemning Haitian President-in-exile Jean-Bertrand Aristide as the principal instigator of this infamous, blatant violation of the territorial integrity of the country. The MNP-28 [National Patriotic Movement of 28 November] leader invites the Haitian people to gather in a common front to thwart the invaders.

[Begin Belizaire recording] Several times during August and September of this year, U.S. warships, without previous authorization, entered Haitian territorial waters. On Sunday, 11 September, even more blatantly, they launched helicopters into our airspace, which flew over the Carrefour zone. These are odious acts of provocation and aggression that are threatening the peace of the Caribbean region and the American continent.

The United States, suffering from the chauvinism of great powers, is guilty of terrorism against the peaceful, hospitable people of Haiti. Mobilizing the most powerful Army on the planet, at the criminal and perfidious request of Father Jean-Bertrand Aristide, in such a disproportionate scheme against the Republic of Haiti, lost sheep of the political family, of the anticapitalists and anti- imperialists, President Clinton's administration is violating Articles 2.4 and 2.7 of the UN Charter, causing the United States to fall under Article 39 of the same charter. [end recording]

That was Artibonite Sen. Dejean Belizaire, reacting to the arrival of U.S. warships yesterday afternoon.

Port-au-Prince Mayor Urges Cedras To Avoid 'Catastrophe'

FL1309215094 Port-au-Prince Radio Metropole in French 1045 GMT 13 Sep 94

[Passages in quotation marks in Creole]

[Text] Some political leaders in Port-au-Prince, including those of the Mobilization for National Development [MDN] and the National Patriotic Movement of 28 November, strongly condemn the presence of U.S. warships in Haitian territorial waters.

Hubert de Ronceray, MDN leader, says that Haitians must get organized in light of the invasion threat. De Ronceray condemns the stand that a power like the United States is taking on a small nation like Haiti:

[Begin De Ronceray recording] It is a shame to see a supermilitary power threaten a small state with which it is not at war. This is ridiculous. Furthermore, "Haitians should keep their heads on their shoulders. Many foresee catastrophe. A catastrophe certainly is possible. However, we must remain calm and organized in light of this possibility. We must organize ourselves according to our means and resources and prove to the foreigners that we can be responsible for ourselves in the face of danger." [end recording]

Port-au-Prince Mayor Evans Paul recalls the position taken by the National Front for Change and Democracy, which opposes the use of force in Haiti's case. However, Paul notes that the military is responsible for developments in Haiti. The Port-au-Prince mayor again asks the military authorities to spare the country the humiliation of an invasion:

[Begin Paul recording] "This saddens me greatly. We are no longer sovereign, and everyone knows why: the coup d'etat and the intransigence of General Cedras and his acolytes to keep power illegally despite all diplomatic efforts. It is no longer a matter of asking if there will be an intervention: The intervention has already taken place. They only have yet to shoot at people. General Cedras can no longer carry on his shoulders the responsibility of the hardships hanging over the heads of the Haitian Army, responsibility hanging over the heads of all Haitians, with all the complications and suffering that the country faces. I would like to take this opportunity to make a final call to General Cedras and all others concerned with the UN resolution to make the gesture that the whole world expects and to spare the country a catastrophe." [end recording]

People Frightened Prior to Imminent Invasion

PA1309220694 Paris AFP in Spanish 1800 GMT 13 Sep 94

[Text] Port-au-Prince, 13 Sep (AFP)—The prospect of an imminent U.S. invasion to remove the coupist military from power is causing fear among many Haitians, even those who believe that the invasion is the only solution to the nation's crisis.

Constitutional President Jean-Bertrand Aristide, ousted nearly three years ago by the Haitian Army, confirmed to his countrymen his support for U.S. intervention when he stated, in a Monday night program broadcast in Creole by the "Voice of America," that he had "given the green light" to the implementation of UN Resolution 940. This text authorizes the United States to use "all means necessary" to oust the military from power.

The suffering of the people—victims of an economic and social catastrophe aggravated by an international embargo—are such that many Haitians support this intervention as a way for the nation to resolve its problems.

Dr. Antoine Joseph, former president of the Deputies Chamber and of the center, told AFP about a young woman close to the military who just lost her job due to the crisis. This woman, said Joseph, is resigned, because for her the invasion is the only way to improve the situation. "They want a solution," he concluded.

In a country where the walls have ears and where public opinion unfortunately can cost you your life, there are few persons who openly admit they want to see the 82d Airborne Division arrive in Port-au-Prince.

There are, however, other Haitians who, although they support Aristide, do not want an invasion. Evans Paul, mayor-elect of Port-au-Prince, is one of these, and he has said so loud and clear.

"Any Haitian who values his life should oppose the intervention," declared Dr. Joseph, who always advocated negotiations and allowing the military "to leave with honor."

Many Haitians who oppose the invasion prefer to remain silent and appear not to support a military that calls for the defense of the nation. No matter what their opinion, all appear to share a growing fear.

"Of course," the people fear, a teenager told AFP. One of his friends went further and said: "I hate the intervention because our lives are in danger." When they were reminded that Aristide favors intervention, one of them indicated: "I am in this country, Aristide is not." They have no doubt at all that the Americans will take action "as they did in Panama" in 1989.

The invasion of Panama continuously comes up in conversations, which proves the television propaganda campaign unleashed by the military a few months ago has affected the people, even though it is much more discreet now. In that campaign, a film taped by opponents of the Panama invasion showed charred bodies and coffins.

"If they do what they did in Panama, no one will be spared," according to Marie-Yves Auguste, a mother who says she has seen the "reports" on television and says she is "very frightened."

The growing fear is based on the conviction that the U.S. Army, in its desire to limit its losses, will use a hammer to kill the fly. "We know the poor neighborhoods were not spared" in Panama, Dr. Joseph said.

To all this, we note the fear being felt by the affluent classes and supporters of the military that reprisals by Aristide supporters could come following the invasion. In this case what they fear most are raids on homes or lynchings, as happened in the past.

Military Leaders 'Isolated;' Aristide's Return Questioned

PA1409010394 Mexico City NOTIMEX in Spanish 2334 GMT 13 Sep 94

[By Maria de Lourdes Allais]

[Excerpts] Port-au-Prince, 13 Sep (NOTIMEX)—While support for a possible invasion of Haiti is growing, the silent isolation of the coupist military leaders has created suspicion that their withdrawal from power has been negotiated, according to business sources in Port-au-Prince.

"It is impossible to think they are so isolated without suspecting that an agreement for their departure has been reached. There are neither heroic nor suicidal," one source close to the business sector said. The source also assured that few people in Haiti would oppose an invasion.

"They are fed up," the source added, referring to businessmen who have already been hurt by the air and trade embargo, the revocation of visas, and the suspension of financial transactions with the United States. [passage omitted]

The source added, "with the exception of one or two families that do not even live in Haiti," all critics of deposed President Jean-Bertrand Aristide support an invasion headed by the United States.

"Aristide will not return. The United States is not interested; it cannot control him; and he would last as long as a cake at the schoolhouse door," said one Spaniard close to the business sector who has resided in Haiti for the past four years.

Thousands of Haitians would welcome the toppled president at the airport, "and after two hours of liquor and music they would be" fighting one another, the source noted. "It would be a disaster, and the people in Washington know this," he added.

Moreover, Aristide, whose mandate ends on 7 February 1996—a date which coincides with the 10th anniversary of the downfall of the regime of the Duvalier Family that ruled Haiti between 1957 and 1986—"has produced an immense visceral hatred among the wealthy," the source said. The Aristide administration, which followed a populist line, started to reform the Haitian system under the premise that the poor also have a right to education and land as much as the rich do.

Local analysts believe that, during its seven months in power, the Aristide administration failed to reach its goal but left an image of incompetence and demagoguery within the business sector and the middle class that voted for him.

Sources close to General Raoul Cedras, Chief of Staff General Philippe Biamby, and Police Chief Colonel Michel Francois assured that the three coupist leaders are still isolated in their offices and homes.

"They do not leave their homes and offices. They do not speak to anyone. They are isolated," one source close to the top leaders of the de facto government stated.

"They are not going to kill themselves. They are going to retire," according to the same source, a Spaniard who lives in Haiti.

"To the fleeing enemy, let us roll out the red carpet," he said, referring to the possibility that the three coupist leaders may receive political asylum in the United States, "where they can enjoy their millions." [passage omitted on statements by U.S. Embassy spokesman and previously filed material]

Jamaica

Kingston Residents Demonstrate Against 'Abusive' Military Behavior

FL0909181794 Castries HTS Caribvision Television in English 1945 GMT 8 Sep 94

[Text] Residents of Tivoli Gardens in Kingston, Jamaica, say they are being terrorized by members of the military. The residents took to the streets to protest what they claim is the abusive behavior of the soldiers. Oliver Fagan reports:

[Begin recording] [Fagan] Residents of Tivoli Gardens were displaying their anger at what they call military harassment. Usually, the police are demonstrated against and they were on the scene, watching the action. In fact, some policemen had to leave the action as residents blocked Spanish Town Road, preventing motorists from proceeding. [Words indistinct] and metal strips were just some of the things residents used as the demonstration against soldiers intensified.

[Unidentified resident, in Jamaican Creole] [passage indistinct]

[Fagan] In addition, residents say their daily lives are affected by the soldiers' activities.

[Unidentified resident, in Creole] [passage indistinct]

[Fagan] The Tivoli Gardens residents are especially angry at one soldier, who they say lives in Newton Gardens, popularly known as Bruno. They say he is threatening them with death and destruction.

[Unidentified resident, in Creole] [passage indistinct]

[Fagan] The Jamaican Offense Force says it is investigating the matter and if any officer is found guilty of the residents' charges, he will be dealt with. Nonetheless, residents say they won't rest until this problem is in turn laid to rest. [end recording]

Netherlands Antilles

Antillean Airlines Refutes Placement on FAA 'Close-Watch' List

FL0909172994 Castries HTS Caribvision Television in English 1945 GMT 8 Sep 94

[Text] The Antillean Airline is one of the carriers placed on the close-watch list of the Federal Aviation Administration [FAA] of the United States. The managing director of the Antillean Airline does not share this opinion. (Ongard) Gibbs tells us more:

[Begin recording] Antillean Airlines is one of four carriers from countries placed on the close-watch list of the Federal Aviation Administration of the United States. The FAA is of the opinion that the national aviation authorities of the four countries involved are lacking the technical expertise or resources to oversee civil aviation in accordance with standards set by the International Civil Aviation Organization. Managing director Kit [last name indistinct] of the Antillean Airlines explained the position of the FAA in Washington does not mean that Antillean Airlines is an unsafe carrier, but that the finger has been pointed to the aviation service of the Antilles, a government body which is in charge of controlling local aviation companies. Kit [last name indistinct] stressed that Antillean Airlines is in fact one of the safest carriers in the world, which has always applied high standards of safety. Four years ago, KLM, the Royal Dutch Airlines, had purchased a significant part of the shares of the Antillean Airlines. The same high safety standards KLM has always pursued are now also being applied to Antillean Airlines. During its 30 years of existence, Antillean Airlines has had only one accident on an international flight, resulting in the [word indistinct] of only one person. [end recording]

Article Examines Officials' Drug Ties

PA1309005694 Mexico City EL FINANCIERO in Spanish 7 Sep 94 p 30

["Part 3" of article by Rodolfo Rojas-Zea: "The Owl's Song"]

[Text] Eduardo Valles Espinosa, alias the "Owl," has told EL FINANCIERO that in "chairs close, very close to the one the president of the republic occupies at the official residence of Los Pinos, the Federal Government became hostage to drug trafficking since 1988/1989."

International drug trafficking "seized the country the way a dog seizes its quarry and refuses to let it go, because there are so many, large political and financial interests at stake that capos are today the bosses, those who remove and appoint officials," Valles Espinosa added.

Interviewed in his Mexico City home shortly before traveling to Virginia, in the United States, where he currently resides, the "Owl" speculated that "perhaps keeping tabs on the role played by the secretary of communications and transportation among drug traffickers, who are allowed to do as they please and introduce everything, President Carlos Salinas de Gortari used a joked to dissuade him from running for the presidency for the terrible implications it may have had for the country, when shortly before Luis Donaldo Colosio's nomination as PRI [Institutional Revolutionary Party] candidate to the presidency of the republic, he declared before political columnists that Emilio Gamboa Patron was like the Tehuacan, because he always has gas left." [sentence as published]

He said that "just as the infamous action against Colosio must be investigated completely, Gamboa Patron must also be investigated thoroughly, because PGR [Attorney General's Office] and DEA findings have revealed his connections with international drug trafficking."

Gamboa Patron "is not an honest man like he says," Valles Espinosa told this reporter in a Virginia-Mexico City telephone call, during which he urged the PGR "to act accordingly."

Regarding "the siege by drug traffickers of federal, state, and municipal governments throughout the country, especially along the drug routes in the republic, from Chiapas to Tamaulipas, and from Cancun to Tijuana," the former adviser to Attorney Generals Jorge Carpizo and Diego Valades conceded that in Mexico "authorities are under the control of narcopower."

He explained that "when secretaries of state, governors, federal deputies, local deputies, senators, people in high-ranking positions, and those responsible for policymaking in this country acknowledge that they maintain relations with international drug traffickers, it must be said that not only the authorities but also society become their prey."

Names, names, names, this reporter asked. "All, all those you want appear on the statement I made last week at the Mexican Consulate in Washington; read it, part of it has been published in PROCESO magazine, and a morning newspaper published it in Mexico City and in Monterrey unedited," he remarked.

Indeed, in the statement, beginning with Gamboa Patron, Arturo Salgado Cordero, deputy operations chief of the Presidential Staff, and the beautiful Marcela Bondenstedt, Televisa announcer, appear the names of high-ranking officials, secretaries of state—that is from the "happy family" down—to corrupt judges and policemen involved, to a greater or lesser extent, in the macrobusiness of drug trafficking. Drug trafficking, according to the "Owl," obviously permeates "national and international private banking, even American Express."

In addition, among those implicated by the "Owl" are "Francisco Labastida Ochoa, former governor of Sinaloa; Rudy Omar Albertos Camara, former director of Azucar, Inc.; Antonio Esperon Diaz O., notary public No. 180, who launders money and property; Eduardo MacGregor Beltran, another former director of Azucar, Inc., and a godfather of Albertos Camara; Arcelia de Alba Villarreal, wife of MacGregor and a front; Eduardo MacGregor de Alba, son of MacGregor and de Alba Villarreal and a front; and Erendira MacGregor de Alba, their daughter and a front."

He said "the international drug trafficking networks weave a complicated plot from Colombia—and now Peru—to the United States, unquestionably going through Mexico."

He added that the "main players of that network are the capos Juan Garcia Abrego, head of the Gulf of Mexico Cartel, the Arellano Felix brothers, heads of the Tijuana Cartel; and Amado Carrillo Fuentes, head of the Pacific Cartel, among other fugitives whose preeminence has continued from 1988-89 until the present."

Regarding the first one, the "Owl" explained in the end that "if you start out in Chiapas and go station by station and town by town to Tamaulipas, Garcia Abrego has people everywhere."

He added both the organizations of the Arellano Felix brothers and Carrillo Fuentes "begin in Michoacan, continue north, and end up in Tijuana, where Colosio was killed."

He stated that they, "the principal dealers of heroin in our country, control Oaxaca, Guerrero, Michoacan, Sinaloa, Durango, and Chihuahua as opium producers; they also control the heroin purchased in Europe, Thailand, and the Golden Triangle countries.

"Town after town, city after city, they are there. You begin to notice the routes and therefore begin to realize, barring a few honorable exceptions, who is involved in this," Valles Espinosa continued.

"Now, how do you fight them? Only with the Army? Only with the Judicial Police?" he asked.

"Here is where the problem begins because, aren't there governors involved in this? Haven't federal deputies been accused of actively promoting drug trafficking in their districts? Aren't there high-ranking Federal Government officials who can easily be singled out as accomplices? Yes, of course," he claimed.

He explained that in the PGR "there are several good, dedicated, professional, and honest officials who are capable of fighting drug traffickers. Their skills, however, are not enough to fight against drug trafficking because this problem is not one of criminal activity alone or the financing of criminal activity, but one of political influence."

Regarding the Special PGR Group he commanded, the "Owl" asked: "After all, what is the greatest damage we have inflicted upon Garcia Abrego?" Was it exposing him by saying: Here is this gentleman. Is it having told public opinion that look he exists, and there are also other people: Oscar Malherbe, 'Don Francisco,' and Ricardo Garcia Villagomez, among other operators of the much-feared capo, who for years and years has been protected by the Federal Judicial Police and prosecutor's offices in this country."

"Previously, you could talk about Amado (Carrillo Fuentes), (Rafael) Caro Quintero or (Miguel) Felix Gallardo—the latter two who have been in the slammer for a long time."

"But who are the ones who have been really conducting the extensive operations all these years?" he wondered.

"The ones mentioned in the preceding paragraph," he responded.

This is how he explained that "Concepcion H., current PGR delegate in Coahuila, has been the latest state attorney in Tamaulipas during the last six-year term"; that "Ernesto Flores Torrijos and Norma Corona have been murdered (sic) in Iguala by the dead." [sentence as published] Moreover, "Piedras Negras is today a stronghold of Garcia Abrego."

This is how he also explained that the PGR is a despicable puppet of drug traffickers. He recalled that shortly before resigning from the PGR "we presented an inmate, an important inmate from the organization of Jose Perez de la Rosa, 'The Nice Guy,' and a member of the organization of Garcia Abrego; we presented him at 2300 in the prison and at 2310, the fifth judge of Matamoros had set him free. In 10 minutes, Rodolfo, in 10 minutes he had set him free!"

Chief Justice Ulises Schmill "helped us as far as he was able," but he could not do anything either.

Despite the recent apprehension of two of the Garcia Abregos, are these and other mafia heads untouchable? The reporter asked: Did the inability to catch the big fish prompt your resignation from the PGR?

"Yes, but I have not resigned that," he responded and then continued: "I have indeed resigned the position I held at the PGR, where I faced two absences, two vacuums: a modern and effective general strategy against drug trafficking in this country, and the lack of political will to get them all, not only Juan (Garcia Abrego), Amado (Carrillo Fuentes), and the Arellano Felix brothers, but everyone."

Both aspects "indicated to me—as a public official, investigator, and operator in the struggle against drug trafficking—that I could go no longer, that what followed would be a massacre, and I was not ready to accept that responsibility."

He asked: "How was I going to enter a state knowing that all of them—the governor, the state attorney, the State Judicial Police, the municipal police—were against me, when the PGR delegate found himself in a difficult situation, when everything was against me by order of Juan Garcia Abrego?."

He concluded: "Was I going to come in with only 30 agents? No," he answered, "so long as public security is viewed in Mexico only as the president's security or as the government's security at the most, instead of the security of the nation."

Valle on Colosio Killing, Narco Threat to Democracy

94WB0059Z Mexico City PROCESO No 928 in Spanish 15 Aug 94 pp 18-23

[Report on interview with Eduardo Valle in Washington, D.C. by Carlos Marin, date not given: "I Warned Colosio and He Began Taking Steps To Free Himself From the 'Narco-Politicians,' But They Caught Up With Him: Eduardo Valle"]

[Text] Washington, D.C.—Usually sarcastic, strident, and roaring with laughter, Eduardo Valle Espinosa, "El Buho [The Recluse]" assumes an uncommonly serious tone when evading comment on the content of two letters that he claims to have sent to President Carlos Salinas Gortari with Luis Donaldo Colosio.

"Why?"

"I won't talk about that."

"You agreed to the interview."

"Well, I'm not going to talk about that."

"When you claim to have sent the letters to the president with Colosio you were a public official, being paid with public funds; and I think you are obliged to give information that you yourself started to make public...."

Eduardo Valle becomes "El Buho" again:

"Damn it! We're not talking about foolishness, but about the drug traffic. We are talking about politicians protecting the drug traffic, the fact that drug traffickers have penetrated the government structure, and about politicians who are laundering money. We are talking about a very powerful woman in the principal Mexican-Colombian cocaine network entering and leaving the Secretariat of Communications and Transport: one who is an associate of the chief clerk and friend of the secretary. I have just told you as much as I learned, what I saw, and what I found out when I worked on the top levels of the Attorney General's Office [PGR]. I have no doubts: Colosio was killed by the 'poli-narcos' or 'narco-politicians.' And I am talking about the 'poli-narcos' who are in the system. I am also telling you that the drug traffickers tried to win over Colosio, and some of his campaign coordinators served that purpose. They went so far as to arrange a dinner for Colosio, to be attended by the brother of Juan Garcia Abrego, the chief smuggler of cocaine into the United States. I warned Colosio about him, and he ordered them to disinvite that bastard. And he began taking steps to free himself from the 'narcos' and 'narco-politicians,' but they caught up with him and screwed him. That is what we are talking about. So don't pester me with what you want to know about my writing to the president!"

In January of last year, Eduardo Valle was invited to work, first, as Jorge Carpizo's personal adviser in the Attorney General's Office. Almost immediately, he began finding himself involved in the information on the drug trafficking Mafias, particularly the one known as the "Gulf Cartel." He was even provided with a team of four special agents from the Federal Public Prosecutor's Office to combat the drug traffic, as well as some 30 police agents, selected by him personally from among the institution's youngest and most capable members.

In a third letter, published on 1 August, the ex-leader of the '68 group (ex-political prisoner, ex-federal deputy) requested permission from the president of the republic (PROCESO No. 926) to give testimony to be included in the investigation of the crime against Luis Donaldo Colosio. He asked whether he might give it at a Mexican consulate ("even if it is in Brownsville"), before representatives of the Congress of the Union's Plural Commission appointed to hear the case brought by the Special Prosecutor's Office.

Salinas's response was immediate: He sent his chief of the Office of the Presidency, Santiago Onate, here to meet with "El Buho." On Monday night, 8 August, Jose Cordoba Montoya's successor notified Valle Espinosa that he could testify, based on the terms that he requested, patting him on the back:

"The president wants you to know that you are not being persecuted, that you may tell your story, that you may have, and do have every guarantee for giving your testimony. And, although he would like you to do so in Mexico, he also wants you to know that he understands your position." Valle Espinosa claims that this is what Onate told him.

The meeting of the colleagues from the Legislature (1985-88) was preceded by a brief spying by the intelligence director from the Attorney General's Office, Enrique Arenal Alonso, inside the Fair Sex bar at the Ritz Carlton Hotel in this city, the meeting place. When he corroborated Valle Espinosa's presence, Arenal Alonso disappeared at a fast pace.

Arenal Alonso was coordinator of advisers, director of narcotics control, and director of international affairs under Javier Coello Trejo during one of the worst periods of the Attorney General's Office. He was left out when Carpizo took charge of the institution, but this year "he was retrieved by the assistant attorney general, Mario Ruiz Massieu," according to Valle Espinosa.

On 4 August, in an official memorandum, Doctor Olga Islas Gonzalez Mariscal, special assistant prosecutor in the Colosio case, requested of Attorney General Humberto Benitez Trevino that Miguel Eduardo Valle Espinosa's statement be obtained, "based on the provisions of Article 59 of the Federal Code of Penal Procedures currently in effect."

On the day before the Onate-Valle meeting, THE NEW YORK TIMES published a text with the headline "Anti-drug Battle in Mexico Delayed, Corruption To Blame." It attributed this situation to the attention being given by the Mexican Government to the Chiapas uprising. And it emphasized: "Mr. Valle's accusations represent one of the rare occasions on which high-ranking police or army officials have been publicly identified as linked with drugs."

Valle Espinosa's story has an explosive angle: The woman who, he claimed, had visited the secretary and the chief clerk in the Secretariat of Communications and Transport (Emilio Gamboa Patron and Arturo Morales Portas, respectively), that is, Marcela Rosaura Bodenstedt Perlick, also is included among the names, with addresses and telephone numbers, of persons being investigated by the Drug Enforcement Administration (DEA). This is according to a 37-page list, a copy of which this reporter has obtained.

Marcela (an ex-federal policewoman) is the wife of Marcelino Guerrero, an ex-judicial police agent who ("El Buho" claims) works for one of Garcia Abrego's "capos,-" named Oscar Malherve.

Valle Espinosa maintains that Marcelino Guerrero "launders drug trafficking money, and has investments in Cancun linked to those of Jorge Hank Rhon," in the corridor leading toward Tulum.

"El Buho" claims that Marcela, an ex-Televisa star, has leased a house to another leading member of Garcia Abrego's Mafia: Luis Medrano Garcia, in Mexico City's Colonia Fuentes del Pedregal.

Like Bodenstedt Perlick, Oscar Malherve appears (repeatedly) on the DEA's list of suspects.

According to "El Buho," Malherve is an "extremely important" operator for Garcia Abrego. Among his functions (with a subject called Raul Valladares), Malherve "connects the Cali Cartel in Colombia with the Gulf Cartel here."

Malherve "was calling and receiving calls from three telephones in the Office of the Presidency of the Republic, one belonging to General Arturo Salgado Cordero, coordinator of presidential tours," states Valle Espinosa. (According to the columnist Francisco Cardenas, another of the phone numbers was that of the ex-chief of the Office of the Presidency, Jose Maria Cordoba Montoya.)

[Marin] And you told Salinas that he, the president of Mexico, had seen Oscar Malherve mentioned in one of your letters sent to him with Luis Donaldo Colosio.

[Valle Espinosa] That's so. The information on Malherve and on Marcela is known to the president, the DEA, and the Attorney General's Office.

The article in the TIMES on Sunday, 7 August (dated in Guadalajara and signed by Tim Golden), when commenting on Assistant Attorney General Mario Ruiz Massieu's exoneration of the communications secretary, Emilio Gambio Patron, reads:

As for the complaint that drug traffickers are buying protection on all levels of the government, Mr. Ruiz Massieu argued that Mr. Valle (an ex-student leader and leftist politician who makes his living from journalism) was hardly an impartial source.

"He doesn't prove anything that he said," remarked Ruiz Massieu, adding: "I never would have appointed him an investigator. He has no experience."

In contrast, the Mexican secretary of government, Jorge Carpizo MacGregor, has continued to speak well of Mr. Valle, whom MacGregor initially contracted as an adviser after having been named attorney general in 1993. Even after Valle's resignation on 1 May, complaining that Mexico had become a "narco-democracy," Mr. Carpizo described him as "an honest, courageous man."

Determined to recount in PROCESO what he knows and what he senses, "El Buho" thinks that neither the Mexican Government nor the United States Government really wants to put an end to the drug traffic.

"They are terrified of an economic deactivation," he comments.

[Marin] That seems exaggerated. What interest could they have in the big drug traffickers' surviving and even, as you claim, being protected by them?

[Valle Espinosa] The "narcos," hand in hand with the politicians, make the economic activity of many regions, of enormous areas, of whole countries, possible! Just think of where the money generated by drugs ends up: you invest it, you launder it, and you create jobs! And in the Attorney General's Office you know that, when you dismantle a gang, you also give the shaft to the mariachis, the vice dens, the alcohol market, the restaurants, the hotels, and the market for houses and cars. And you can't imagine how much....

Always eloquent and unrestrained, Valle Espinosa claims that the problem is that two rivers run through the Attorney General's Office:

"One, enormous, of dollars; the other, even larger, of crap."

"El Buho's" Flight of Fancy

This is how, at age 47, Valle Espinosa solves the biographical paradox of the student leader, leftist militant (who survived Military Camp No. 1 and Lecumberri), and journalist as well, who agreed to be spattered in the sewers connecting the police and the drug traffic:

"In Mexico, the battle against the drug traffic is the battle on behalf of democracy. So long as the drug traffickers retain the enormous influence that they have on the political authorities in Mexico there will be no democracy. In my view, it is also a part of the political battle: the battle against the drug traffic, against its leaders, and against its po-li-ti-cal influence. Take note: not police, not economic, not financial, not social: but po-li-ti-cal."

[Marin] And what about "El Buho" the communist, the one with the lightning-fast rallies, the party harangues, and the fights with congressmen? What about an ex-political prisoner who works for politicians and turns policeman?

[Valle Espinosa] A political militant has every right in the world to comprehend that the battle against the drug traffic in our country is the battle for democracy: that it is a dirty, tough, difficult battle, and, in particular, full of crap. Yes it is. It is, period: difficult, tough, and full of crap. So what? It is also the battle for democracy. So, we must get into it, and few can say: "I'll get into it." I have the mental, personal, physical, and intellectual training to get into it, and I am getting into it.

And when there is an honest man like Carpizo, who says to you "come here, because they must be must beaten," and they tell me "they must be beaten," do I understand? Because, if they had told me "listen, we are going to beat them to a certain extent," it would be something else. But they tell me that they must be beaten, and I believe they must be beaten. And so, I say that they must be beaten, period.

Besides the political reason, Valle Espinoza had a personal reason: his friendly relationship with Carpizo:

"Carpizo and I have had an excellent relationship since our university times. When he was rector of the UNAM [National Autonomous University of Mexico], and announced his program of academic excellence, I, one of the '60's generation, wrote an article in which I praised the guts that he showed. And later, when he was chairman of the National Commission for Human Rights, and I was with the Union of Democratic Journalists, he accepted my proposal for a program to be established dealing with damages caused to journalists. He also supported the idea of a minimum salary for journalists."

[Marin] Did you ask him for a job?

[Valle Espinosa] Not on your life! He called me and said "come, support my work." I acted like a jerk, and told him to ask the president, thinking that Salinas would say "what's this about?" And it turned out that the president accepted me, and I had to join him. The president said that he agreed, and I had no excuse not to join him. And Carpizo, besides being an honest, upright man, is a fighting man, who suddenly offered me the job of advising him. And I found that, in the Attorney General's Office, there was a team of 30 advisers who had a coordinator; but I entered with direct access to Jorge Carpizo.

Valle says that he began working by sending notes to the attorney general in which he made comments and suggestions on "general and strategic matters involving information, intelligence." Then, suddenly, with the murder of a journalist friend of his in Chiapas, he had to become involved in the investigations of the drug traffic. "Then, I selected the young agents and top investigators (I can't give the names, one of them is the best investigator in the country, the best of all). I picked good people, I picked commanders who were half drunk, half corrupt, half troublemakers (but not perverted); and I told them: 'Comrades, let's get into this. Besides, this is very serious business. My instructions are that we must get into it.' [They asked] 'Sir, are we really going to get into it?' [I said] 'We are getting into it, comrades; please, trust me.' And they got into it. Two or three became corrupt; so what? They are part of the system (that had to happen to one or two, but the best ones always work, and the best ones always bring results). My office became important, and we progressed upward. And what it was doing became as important as what my team and I prevented from being done."

With increasingly important duties, "El Buho" claims, he had to go about on tiptoe in the Attorney General's Office:

"They offer you money, they offer you whores, they offer you drugs, they offer you everything. And what does that have to do with me? What does money have to do with me, what do whores have to do with me, what do drugs have to do with me? They have nothing to do with me. They threaten you, and tell you that some gentleman has said 'enough of Eduardo Valle, we'll teach him a lesson.' And I wait...not only do I wait, but I look for it. Then they say: 'Ah, the bastard, who are we talking to? He's not a commander, he's not an agent, he's an errand boy from the Attorney General's Office.' Ah, but he's not a guy to whom they can say 'here is a million, here is $400,000 for you to amuse yourself.' None of that has anything to do with me."

[Marin] In your letter to the president you make accusations against his tour coordinator (a Mexican Army general), and insinuate that a state secretary and a chief clerk have ties with the drug traffic. You know about journalism...your letter seems like "a flight of fancy." "Buho," are you on a flight of fancy?

Valle enjoys imagining the Attorney General's Office, the Congress of the Union's Plural Commission, and the Special Prosecutor's Office for the Colosio case solving the puzzle:

"Let them think that I'm taking a flight of fancy! Let them find out whether what I say is an invention; let them say that I have suffered an attack, and conclude that I am hallucinating. But let them investigate, let them investigate, for God's sake!"

The Protagonists

It did not take Eduardo Valle Espinosa long to learn what is very well known in the Attorney General's Office, at least enough to enable him, in February 1993, to recommend to Jorge Carpizo (in a text with the caution, "absolutely personal") a "decided, intelligent policy of outstanding captures."

He listed 11 drug trafficking "capos," beginning with Juan Garcia Abrego and including "El Chapo" Guzman, "El Guero" Palma, and the Arellano Felix brothers. Three months later, according to the Attorney General's Office, the latter arranged the shooting at the Guadalajara airport in which Cardinal Juan Jesus Posadas Ocampo was gunned down.

Another of those mentioned on the list was Amado Carrillo.

[Marin] What is the situation of the drug traffic in Mexico?

[Valle Espinosa] The Cali Cartel is headed by two brothers named Rodriguez Orejuela: Miguel and Gilberto. Gilberto is highly intelligent; they call him "the chess-player." This group has two backers in Mexico: one is named Amado Carrillo, and the other, Juan Garcia Abrego. Carrillo heads the Pacific route, and Garcia Abrego is chief of the Gulf Cartel. And their fight is over Ciudad Juarez, which is a kind of pointer on the scale. Whoever wins Juarez wins the country. Amado Carrillo and Juan Garcia Abrego are becoming our Pablo Escobars. Miguel Angel Felix Gallardo and Ernesto "Don Neto" Fonseca (both in the Almoloya prison) are predecessors of the current "capos."

[Marin] And what about Rafael Caro Quintero?

[Valle Espinosa] Nothing, man! Caro Quintero is a marijuana "capo"; he is a "narco-ecologist." What I'm talking about is coca "capos," the principal smugglers of the Cali Cartel's cocaine into the United States.

According to "El Buho," the marijuana market is not unrelated to Carrillo and Garcia Abrego:

"They could handle 8,000 tons of marijuana, just as they handled it at 'El Bufalo.' Up there in Washington, a kilo of marijuana is worth about $3,500. A ton of marijuana is worth $3.5 million; 1,000 tons of marijuana are worth $3.5 billion; 8,000 tons of marijuana are worth $28 billion. Just think how much that is.... But let's look at the price of coca:

"You go to Guatemala, to Tecun Uman. There, you buy a kilo of coca for $4,500. You take it up to Reynosa, here in Mexico, and it costs between $8,000 and $9,000 per kilo. You take it up to Houston, Texas, and you could sell it for $16,000. And if you bring in a ton, then we are talking about $16 million.

"Juan Garcia Abrego is bringing between 150 and 200 tons of cocaine a year into this country, and he is doing so even though he is under pressure now. Because, at the end of the 1980's and in the early 1990's, he was smuggling in as much as 300 or 350 tons. He multiplied $16 million by 300 in one year. But now he is bringing in about 200 tons."

[Marin] How much of the cocaine consumed in the United States passes through Mexico?

[Valle Espinosa] Something over 300 tons. Juan Garcia Abrego is moving 60 or 70 percent of what enters here. The rest is moved by Amado Carrillo.

[Marin] Heroin, morphine?

[Valle Espinosa] No, those dealing in heroin and opium gum are a different story. Now we are talking about something like a nuclear traffic. This is the business of "El Chapo" and the Arellano Felix brothers. And "El Chapo" is a jerk, because when he gets into the heroin business, he takes a big leap; because heroin is a different kind of business, not for anyone like "El Chapo." This is the market controlled by the Arellano Felix group and "El Guero" Palma.

[Marin] The fact is that you have concentrated on Juan Garcia Abrego....

[Valle Espinosa] He certainly is the one who has committed the most murders of journalists: Flores Torrijos, Norma Figueroa....

[Marin] Describe his organization....

[Valle Espinosa] Garcia Abrego's network was controlling the runways and airports in Tamaulipas and Nuevo Leon.

A memorandum from Valle to the attorney general, dated 15 March 1993, urges the procurement of arrest warrants for Juan Garcia Abrego: "This effort has now assumed urgent features," because the "capo" presumably had sent an order to kill Carlos Aguilar Garza (a prominent ex-PGR representative implicated in the drug traffic) and Rodolfo "El Negro" Benavides, both "possible sources of information" for the PGR. Carpizo wrote at the bottom:

To Doctor Ricardo Franco Guzman, (now electoral inspector) *so that he may issue his instructions and implement what is stated in this memo. Thanks.*

On 21 March of last year, in a different document, Eduardo Valle informed the attorney general that the Mafia organization covered Tamaulipas, Veracruz, Tabasco, Campeche, Quintana Roo, and Yucatan, but had now been extended to parts of Oaxaca, Chiapas, Michoacan, Zacatecas, and Nuevo Leon (in Monterrey, it had set up one "of its main quarters").

He told Carpizo that the investigation had made it possible to identify chains of command and priorities: "'capos,' lieutenants, finances, associates, policemen and ex-policemen, soldiers, politicians, family members (eighth priority), press, and international contacts."

He also informed him that he had identified "the majority of the principal persons in charge of this gigantic organization":

Jose Luis Medrano (southeast); Jose de la Rosa (Tamaulipas and Veracruz, with domicile in Brownsville); Roberto Garcia Gutierrez, Francisco Cano, Antonio Sosa, Oscar Malherve, and Saul Gonzalez Garcia (Tamaulipas); Eduardo Colorado Guzman (Veracruz); Francisco Figueroa Valencia (Campeche); and its general accountant, Jose Guadalupe Cantu Ramirez.

In the document, Eduardo Valle mentions that, within Juan Garcia Abrego's organization, there are six "federal policemen on active duty;" however, he says that he does not want the pertinent arrest warrants delivered to him:

"I didn't want to become Carpizo's policeman within the Attorney General's Office: not even outside, but inside the institution, never."

About August or September 1993, "El Buho" received a strange request from the deputy director of intelligence (CENDRO [Planning Center for Drug Control]) of the Attorney General's Office: "For some reason that escapes my understanding, he wanted me to undertake an investigation of that lady. Perhaps because they lacked sufficient information on her, or possibly because they were trying to tell me: 'They're taking advantage of you! See what you are getting into.'"

[Marin] What is CENDRO?

[Valle Espinosa] What can I tell you? Well, it does something like telephone interception, monitoring of flights, surreptitious surveillance, all that....

Two reports from CENDRO, with page numbers 000237 to 000241, and dated 24 May of that year, had already documented these data on ex-agent Marcela Bondestedt, who met with the communications secretary and, according to "El Buho," is an associate of the chief clerk in the same state secretariat:

She joined the Federal Judicial Police in February 1985, after graduating from the PGR's Technical Institute. She was recommended by Commander Aldana (Miguel). Her conduct "left much to be desired," because of absences, and her dismissal was ordered in January 1986. With schooling up to the preparatory level, she is familiar with martial arts and deep-sea diving, and claims to live in two domiciles, one in the Colonia Nueva Santa Maria, and the other in Lomas de Chapultepec. In April 1984, she was given an "A agent" slot, with badge number 863. On 12 July of the next year she was subjected to a 24-hour detention for one of her many absences. She herself applied for retirement, in the form of two months' leave. When she was supposed to return, in January 1986, she failed to show up. On 11 January, she was considered discharged.

Marcela Bodenstedt may be regarded as having wanted to belong to the force for the sole purpose of becoming associated with some intermediate personnel. She attained that goal, because her relations with and knowledge of members of the Federal Judicial Police on all levels and in various parts of the country are quite extensive. So states one of the internal reports.

It should also be pointed out that, in the investigation of Mr. Juan Garcia Abrego, several cellular telephones were detected, from which calls had been placed to Marcela Bodenstedt's private domicile.

She apparently has good connections in political circles. She claims to be a friend of Emilio Gamboa Patron, secretary of communications and transport, as well as of his chief clerk, Arturo Morales Portas. She invited the latter individual to her house to propose that he help her to obtain the concession for reforesting and landscaping, primarily on the Cuernavaca-Acapulco highway. Also on that occasion, (here comes what appears to be a result of a telephone tap) *Mr. Morales told her that he, in turn, had to discuss a matter concerning Germany with her.*

(Valle says: "As far as I know, it was a deal involving cars being operated here and sold there. She and the chief clerk are associates, and it smacks of laundering money from the drug traffic.")

The financial resources that they control are quite sizable.... Marcela and Marcelino (her husband) *took a trip to Cancun two days after the murder of Rafael Aguilar Guajardo, and apparently met with individuals close to that subject, in order to help with the transfer of the body.*

Marcelino has a proposal for establishing a casino business in Cancun, apparently a very ambitious project, because he has 640 hectares available for this, and it is presumed that their owner might be the son of Carlos Hank Gonzalez.... The cost of this package is $160 million....

On 13 May, Carmelo Herrera, an individual working in the service of Marcela and Marcelino, was intercepted by Federal Judicial Police personnel at the international airport, with his companion, Miss Adriana Castrocerio. As a result of a search of their baggage, the sum of $421,950 in bills of different denominations was discovered.

The story given by Marcela Bodenstedt, Marcelino Guerrero, and their personnel (it is unclear whether this is a judicial version or a version overheard by telephone tapping) was that they arrested Carmelo because someone from Ciudad Juarez betrayed the pair.

A subject named Federico advised Marcela not to trust anyone until he could talk with her personally, because he already knew where it could all end. He offered to take charge of the matter.

Dollar laundering and laundering of records in the Secretariat of Government:

As for Marcelino Guerrero's record, none exists in the Government Secretariat. It was said to be difficult to retrieve, but there is even a document from the Government Secretariat in which this department replies that Marcelino has none.

Another document from the Intelligence Directorate of the Attorney General's Office, dated 21 July 1993, indicates that Marcela's husband, Marcelino Guerrero Cano, proposed to Carmelo Herrera the transfer of the $432,509 in exchange for 20,000 new pesos.

In his judicial statement, Carmelo denied that the dollars were the proceeds from drug trafficking, but claimed that this money had been turned over to him in Monterrey "by two unidentified persons," to be delivered in Mexico City to "some people" who would be waiting for him at the airport.

According to Valle Espinosa, based on the Penal Code, a preliminary investigation of Carmelo and Adriana should have been opened for crimes against health. Nevertheless, according to the CENDRO report, the Office of the Prosecuting Attorney of the Federation (Finance Secretariat) confiscated the dollars, and the couple were released. The reason given was that "the requirements for taking penal action against the accused were not compiled nor met."

On 26 July 1993, CENDRO prepared a new report on Marcelo and Marcelino:

They show credentials accrediting them as members of the Federal Judicial Police....They ordinarly use communications media such as cellular telephones, radios, or apparatus known as "sky tel," and are extremely careful in using the telephone. Their purchasing power enabled them...to lease a plane to transport a musical ensemble, *with all its equipment, intended to entertain at a private party given in Matamoros, Tamaulipas.*

Another feature of their operations is the use of navigational charts obtained by Pablo Garcia Robles from the Merchant Marine.

It is also important to stress that, through a covert investigation, it was learned that Carmelo Herrera's arrest occurred because of a leak of information within the organization itself. This was considered a betrayal on the part of someone who came from Ciudad Juarez, Chihuahua, and caused the vacating of domiciles at 603 Tajin Street in the Colonia Navarte, and 89 Bosques de Mozambique Street in Bosques de Aragon. Both sites had been used for the various activities of Marcela, Marcelino Guerrero, and Joaquin Garcia Rios, a key figure in the service of Oscar Malherve and of all the individuals working for these three persons.

On 25 June of this year, at 150 Fuente de la Luna Street, in the Colonia Fuentes del Pedregal, several persons belonging to Juan Garcia Abrego's organization were arrested.... The arrangements for the leasing of that domicile had been made by Marcela and Marcelino, who always appeared as a married couple. The sum involved in the transaction was paid in cash, and the individuals showed signs of having a sizable financial capacity. They were carrying with them large amounts of money in cash, in both national currency and dollars.

The PGR Intelligence Directorate then discovered other attempts on the part of Marcela and Marcelino to lease and purchase real estate. It learned that the owner of the house on Fuente de la Luna was...the representative of the Attorney General's Office in Chihuahua, David Gomez Reyes.

[Marin] Is Marcela really powerful?

[Valle Espinosa] Extremely powerful!

This is how THE NEW YORK TIMES reported the Mexican Government's explanation of the relationship between Marcela Rosaura Bodenstedt Perlick and Emilio Gamboa Patron:

Mr. Gamboa, 43, one of the most powerful and conservative young officials in the cabinet, has an extensive portfolio for the war against drugs, because he is engaged in the administration of airports, seaports, highways, communication lines, and the Federal Highway Police.

The phone taps made by government intelligence, cited by Mr. Valle, indicate that Mr. Gamboa and one of his advisers met last year with a 31-year-old woman thought by some federal investigators to be a representative of one of the most powerful drug traffickers: Juan Garcia Abrego.

Government officials confirmed the phone taps relating to a meeting held on 8 November between Mr. Gamboa and the lady and her contact, with at least one Federal Judicial Police commander. At the same time, the officials denied that the information proved anything to the detriment of Mr. Gamboa, whose secretary claimed that the woman had visited his office to show him a painting that she was selling.

"She is being investigated just as another 100 persons are being investigated," was the comment regarding the woman made by Mario Ruiz Massieu, the assistant attorney general in charge of the counternarcotics battle. He asked: "Should the secretary of communications and transport be considered to blame for not knowing all of Garcia Abrego's representatives?"

The Intelligence Directorate's tracking has given no respite to Marcelino Guerrero and Mrs. Bodenstedt. The latter has been caught in the eager search for another meeting with the secretary of communications and transport [STC].

3 November 1993:

Norma, sister of an unidentified individual confined in a prison center, contacted Marcelino Guerrero, who said that he had already spoken with several people, mentioning among them "the commander" and the "director of one of the areas."

Marcela asked an unidentified man whether he would go to see one of the paintings, indicating that he should do so soon, so that she could cash the check that would be issued in her name.

4 November:

Yesterday, Marcela Bodenstedt was inquiring about the telephone number of Commander Victor Patino, operational director of the Federal Judicial Police....

An unidentified woman gave her telephone numbers 626 94 20, 21, and 22 of the Federal Judicial Police general director, Commander Adrian Carrera Fuentes. At that address, they informed her that Commander Patino could be reached at telephone number 626 94 33.

16 November 1993:

Marcela Bodenstedt apparently made some request of Mr. Gamboa during the meeting that they held on Monday of last week, because yesterday she left a message with Mr. Fernando Ulibarri Perez, the STC's private secretary, to the effect that she wished to know "what happened regarding her business matter."

Marcela Bodenstedt, Doctor Ricardo Cendon and, apparently, Doctor Efren Robles Ibanez, will be traveling today bound for Tijuana, to meet with Commander Alquisira. Ricardo indicates that, on this occasion, they will have to go to Calexico to pay parking fees.

Without Encouragement

[Marin] In your letter to President Salinas, you ask him who Oscar Sala Luna is. Who is Oscar Sala Luna?

[Valle Espinosa] According to information from CENDROS, he is the owner of the country's leading airports, and of practically all the runways in Tamaulipas and Nuevo Leon. This is information from CENDROS, not mine.

[Marin] Among the runways that you mention, there seems to be one that is extraordinarily large....

[Valle Espinosa] La Pesca, near Soto La Marina, in Tamaulipas. It has over 3 km of paved runway. It is larger than the one in Toluca.

[Marin] Why do you compare it with the one in Toluca?

[Valle Espinosa] Because Toluca is officially the largest in the country.

[Marin] And what does this business about size mean?

[Valle Espinosa] Look: there are "Aero-Commanders" that land with 800 kilos of coca on 150 meters of runway. And if the poor fellows from the Navy have to go running out to see who landed 3.5 km beyond, by the time they arrive there is no longer anything left. In other words, there is nothing because the plane was unloaded and refueled, and took off: goodbye, period.

[Marin] Can a jet land at La Pesca?

[Valle Espinosa] You don't have the slightest idea! The NASA space shuttle could land at the La Pesca airport.

[Marin] What is so special there?

[Valle Espinosa] You would see what beautiful ranches there are, lovely ones (I have toured it by helicopter).

[Marin] Drug traffickers' ranches?

[Valle Espinosa] Not all, there are some very decent people there (laughing loudly).

[Marin] And this Oscar Sala Lunes is...you say that he bought the air....

[Valle Espinosa] And the runways. But no, he is not the official owner. The fact is that CENDROS is not very reliable about such things, by no means (he shields himself with sarcasm again). Just imagine my asking CENDROS for information and there, at the Intelligence Directorate of the Attorney General's Office, being told that 90 percent of the runways and airports belong to Oscar Sala Luna.

[Marin] Now tell me who Oscar Salas Luna is.

[Valle Espinosa] I swear that I don't know. I don't know! That is why I asked the president about him. Because, at the same time, I compared this information with the information from the Secretariat of Communications and Transport itself (to find out whether they are cement runways, of what type, and with what features). And, in making the comparison, I said: Holy Mother of God, what's going on here?

[Marin] In short, you say that you have located Juan Garcia Abrego's hideout....

[Valle Espinosa] I have located his hideouts: two in Monterrey; he has a principal one on the highway to Victoria. There are two in Tamaulipas, and a farm in Veracruz owned by his buddy, Renteria. I have him spotted, with his routines and everything.

The guy gets around in this way, no less: He rides in an armored "Blazer," with a woman who is a remarkable shot in front of him, accompanied by another man. Driven alongside him are two "Broncos" (ahead and behind), with three or four men; and, half a kilometer behind and half a kilometer ahead, two "Suburbans" are circulating. Now we are talking about seven vehicles and 20-odd bastards protecting their boss with the best weapons in the world. This is how Juan Garcia Abrego gets around, leaving his hideout by way of the Victoria highway. And on the other side of the highway, all the while, there are three vehicles circulating. This makes 10 vehicles with terrifically armed people trained by Rafael Olvera.

[Marin] Who is Rafael Olvera?

[Valle Espinosa] The chief gunman and bodyguard of Juan Garcia Abrego. He is an ex-major in the Mexican Navy, not a policeman, but a former high-ranking Navy officer. And all these people that we are discussing have been trained as troop commanders, not as policemen.

That is why I asked the president for three Army platoons, with two helicopters and vehicles, because if I located Garcia Abrego on the highway, with Captain Cebollon in front (I won't tell you his name, he is a legend inside the Attorney General's Office), then we would do it...we would have done it....

He explains the operation:

"I put Cebollon on the left side of the highway, and then I put another comrade (a very able pilot) on the right side. I put in a trailer truck here, and block off the highway. Then, when the guy tries to drop from the sky in the helicopter, we tell him: 'Don't land, surrender!' And he surrenders, period."

[Marin] Really?

[Valle Espinosa] He surrenders, period. He isn't going to say a damn word to you, like "I have a big force," or whatever. He is going to surrender, and say "here I am," period. And it's all over.

[Marin] You tell the president that, in the course of this investigation of Garcia Abrego, you discovered that his organization enjoys protection from "high-ranking federal, state, and municipal officials, as well as judges and journalists." Give names.

[Valle Espinosa] Here you are: I made an agreement with Manuel Cavazos Lerma that we would conduct a very thorough legal investigation, and he, giving orders to

Raul Morales Cadena, was to send me a team of people to complete the legal investigation. Those people never arrived, and Raul Morales Cadena sabotaged each and every one of the steps that we took against Juan Garcia Abrego in Tamaulipas: each and every one.

And I went on this way until an attorney of ours, Sergio Adame Ochoa, after the reforms of 10 January, latched onto the federal attraction, and then we became fully involved. We executed an arrest warrant for "El Amable," for murder, crimes against health, shooting with firearms, etc. Can you imagine? Six and a half months fighting with the Tamaulipas state attorney to make him do his duty!

Laundered and Ironed

Eduardo Valle Espinosa claims that the drug traffickers launder money by investing it in real estate, in subdivisions, automobile distributorships, hotels, and discotheques. He says that the Valle Alto de Matamoros subdivision is one of those owned by Juan Garcia Abrego, who has another in Ciudad Victoria and still another in Reynosa.

[Marin] And you say there is dirty money in banks and other financial institutions.

[Valle Espinosa] Of course there is. And the DEA and the Attorney General's Office have the clues, and could deactivate these Mafias, but they are acting like jerks.

Just to burn you up: Here in the United States there is a prosecutor named David Novack, who is a total genius. With the help of the FBI in Texas Valley, he learned that Juan Garcia Abrego had managed to launder $100 million (which is nothing compared with what he has) through American Express. And what happened? Well, the affair ended when American Express had to put all (all) its profits in reserve, because the United States Government took $30 million from it. Do you realize, can people realize what we are talking about?

He completes his statement:

"Now you know why it is absolutely logical from a 'narco-political' standpoint for the Mexican and United States Governments to prefer acting like jerks rather than seriously prosecuting contraband. They would have severe problems with their economies. Wasn't Angel Felix Gallardo on the administrative board of the Somex Mexican Bank's Northern Regional Center?"

Never Again

[Marin] Do you believe that Jorge Hank Rhon is implicated in the drug traffic? I don't mean associated with dollar laundering, because anyone could be without realizing it. I'm asking whether he is implicated, what is called implicated, in the drug traffic....

[Valle Espinosa] Jorge, yes; the one at the Agua Caliente racetrack over in Tijuana. I think that he is, especially considering his relationship with Marcelino Guerrero.

[Marin] When you talk about runways and associate their operation with the functions of the communications secretary, and his relations and those of his chief clerk with Marcela Bodenstedt and the guy who, according to the Attorney General's Office Intelligence Directorate, owns those in the north, you are also talking about people with big money. So that I may get an idea, tell me which financial level you are talking about. Take Emilio Azcarraga as a reference.

[Valle Espinosa] Ah, why not? Juan Garcia Abrego and his aides (Oscar Malherve, Marcelino Guerrero, "El Tio") could be included among the richest Mexicans listed by FORBES magazine. Of course, along with Carlos Slim, Roberto Hernandez, and all those people. Certainly they could. Didn't I tell you that these guys control big loads of cocaine and put American Express in a tight spot? They have at least as much as Carlos Hank Gonzalez does.

[Marin] Is the Agualeguas airport among those controlled by the "narcos"?

[Valle Espinosa] I don't know about that. Ask Moussavi; he knows more than I do about that. He could talk about the holes that were left in the radar equipment currently being installed. I don't know, these things are too technical for me. Why do you ask me about the Agualeguas airport?

[Marin] The fact is that you have asked the president to find out who the powerful person is with the airports and runways, like the one on which you say the space shuttle could land.

[Valle Espinosa] That's right.

[Marin] You were a colleague of Colosio's (and of Santiago Onate and Beatriz Paredes) in the 53rd Legislature. Were you friends?

[Valle Espinosa] Friends of the kind that have a solid relationship and talk to each other on special occasions. One day, he learned that one of my daughters, Imuris, had the name of a town in Sonora, near Magdalena de Quinto. We got along well.

[Marin] How is it possible that a brother of Juan Garcia Abrego was invited to a dinner with Colosio?

[Valle Espinosa] Because these things happen; how should I know? I'm not the pope or anything. These things happen.

Eduardo Valle becomes serious again:

"Colosio had several of Garcia Abrego's people on the inside. One of them, Mario Garcia, invited Humberto Garcia Abrego, brother of Juan Garcia Abrego, to sit at the head table, next to that of Colosio. So, I spoke with one of Colosio's confidantes, while wondering what the hell was going on.

"They immediately withdrew the invitation to Humberto Garcia Abrego. In other words, Luis Donaldo didn't say 'let's .....' What he did say was 'there is no invitation, period.'

"And then, he tried to remove the most prominent people, because I told him: 'Luis Donaldo, you should be careful with these people, never mind your coordinator of special affairs."

[Marin] Was it that Mario Garcia?

[Valle Espinosa] No, not at all, someone else: someone else whose identity everyone knows. Well, that's how things stood until Jose Urena, in LA JORNADA, published a very well-informed column telling me that Luis Donaldo was paying attention to me.

[Marin] Because they disinvited Juan Garcia Abrego's brother?

[Valle Espinosa] No, because he ordered the ouster of the grossest member of his team, who is not this Mario Garcia, who is a jerk, like that other one with the surname Castillo, nor Gamboa Rolando. No, I'm talking about a different person, someone else who is far more delicate.

According to "El Buho," other evidence prompting alarm was the naming of the Federal Highway Police [Secretariat of Communications and Transport] commander, Jorge Vergara Verdejo, as "route coordinator," and of Fernando de la Sota (an ex-agent of the Federal Security Directorate, ex-chief of guards for Ruben Figueroa senior, and ex-Federal Judicial Police member, fired by Ignacio Morales Lechuga). He was to be hired by the candidate's security chief, General Domiro Garcia Reyes, supposedly to protect Colosio.

Valle comments: "Jorge Vergarda Verdejo was from the ruling group of the Federal Highway Police in Monterrey, connected with the drug trafficking stronghold in Puebla, operating through the Tehuacan airport for Juan Garcia Abrego.

"A Rolando Castillo Gamboa, from Colosio's team, may possibly be a brother of Ricardo Castillo Gamboa, aka 'El Perro Chico' [Little Dog], a very close confidante of Juan Garcia Abrego."

He complains that things "happened fast."

"El Buho" was about to meet with Luis Donaldo Colosio, but 23 March intervened, and Colosio was gunned down in Lomas Taurinas.

Valle comments: "It was not reported that Eduardo Osorno, first commander of the Federal Judicial Police, was there."

Rather, he says, Benitez, the Tijuana Municipal Police director, "was told: 'don't interfere.' And he interfered, assigning the Special Tactical Group, assigning radios, and arresting Sanchez Ortega. And Mario Aburto was caught. The Staff wanted him taken with De la Sota's group, and guaranteed that this Aburto, whom they were dragging by the hair, would reach the State Local Government Office alive. And they began conducting investigations, and talking about pistols, and they killed him."

"El Buho" refused to say anything further.

On 2 March, he submitted his irrevocable resignation to Carpizo's successor, then Diego Valades. In its text, he described some of his reasons, such as claiming that a "reformulation of the alliance" of certain sectors of the Attorney General's Office with "the big drug trafficking chiefs" was occurring.

[Marin] Would you like to work for the PGR again?

[Valle Espinosa] Never, never again in any government position. I prefer our freedom, the freedom of journalists; the freedom to deal with reasons, causes, arguments, evidence, and documents. But return to that crap, never.

[Marin] And what if they were to tell you: here is everything to go after Garcia Abrego? Your helicopter, your platoons, your weapons, all kinds of support, what then...?

[Valle Espinsoa] Not even then, comrade, I wouldn't go.... Brother, there are two rivers, I have already told you this. The one of money doesn't interest me, and the one of crap causes you problems if you even smell it. Not to mention getting involved in it; I never got involved in it, I never accepted a cent, I never beat anyone to soften him up, I never tortured, I never took any action that was not strictly law-abiding, just as Carpizo demanded of me. I'm a decent person, with principles, and all this makes me sick. What a mess I'm in, how it sickens me! It turns your stomach, and turns your life upside down....

Roundup of Economic Developments

PA1309152794

[Editorial Report] The following is a compilation of reports on economic developments monitored through 12 September.

According to the publication EXPANSION, "although the Mexican economy did not grow in 1993, the 10 most powerful consortiums amassed 55 percent of the sales, managed 56 percent of the resources, and employed 48 percent of the people." These consortiums include Vitro headed by Adrian Sada; Carso of Carlos Slim; Cemex of the Zambrano Group; Alfa of the Garza Sada Group; Famsa of Eugenio Garza Laguera; ICA headed by Gilberto Borja; Televisa of Emilio El Tigre Azcarraga; Aerovias de Mexico headed by Gerardo de Prevoisin; DESC of Fernando Canales; and La Moderna Enterprises of Alfonso Romo. (Mexico City UNOMASUNO in Spanish 1 Sep 94 p 19)

Mexican Petroleum (PEMEX) Gas and Petrochemical has announced its investment needs in aspects such as processing, transportation, and natural gas distribution.

Gustavo Mohar Betancourt, the firm's assistant director for planning and control, has stressed that for improved transportation alone, PEMEX Gas and Petrochemical needs an investment of $2 billion over the next 10 years. (Mexico City EL FINANCIERO in Spanish 5 Sep 94 p 40)

Private analysts have reported that in the five and one-half years of this administration, the Mexican economy grew 20 percent, which means that the gross national product will increase at an average annual rate of 3 percent. They maintained that this evolution in the economy represents "an important advance" compared with the previous six-year period, when the average annual rate was 0.5 percent. The sources confirmed that during the first half of 1994, "political and financial instability resulted in the flight of between $6 and $7 billion, a quantity compensated for with Banco de Mexico's international reserves." They added that "the increase in public spending will make it impossible for the government to have a balanced budget again this year." (Mexico City LA JORNADA in Spanish 5 Sep 94 p 40)

During the first half of this year, approximately 50 percent of enterprises experienced a drop in sales or maintained them at the same level as the second half of 1993, the Private Sector's Center for Economic Studies disclosed. The organization added that due to a slowdown in economic activities, the businesses' "net profits deteriorated by more than 70 percent." Furthermore, it noted that "the outlook for the remainder of 1994 is not that optimistic." The organization, headed by Oscar Vera, noted that the difficult economic situation and the efforts by businesses to increase productivity had an effect on employment levels: "More than one-third of the businesses (37.4 percent) reduced their number of employees, while 18.4 percent increased it. (Mexico City LA JORNADA in Spanish 6 Sep 94 pp 56, 44)

Air Temp of Mexico and Zexzel of Japan will build the first Latin American plant to make condensers for car air conditioners. Air Temp, which is headed by Yucatan businessman Jorge Habib Abhimeri, will build the plant, which will initially operate as an assembly plant in Merida. Part of the production will serve to supply Seltec, a Zexzel affiliate that distributes air conditioning equipment for automobiles in the United States to enterprises such as Mazda. The other part of the production will be used in equipment distributed by Air Temp in Mexico, Central and South America, and Saudi Arabia. (Mexico City EL FINANCIERO in Spanish 7 Sep 94 p 17)

PEMEX and the Federal Electricity Commission have been authorized to use 141.8 million new pesos and 112 million new pesos of their reserves, respectively, to support public sector purchases from the Mexican capital goods enterprise. The Commerce and Industrial Development Secretariat disclosed that the authorization, dated 8 August 1994, to use parastate industry reserves conforms with that expressed in Chapter 10 of NAFTA. (Mexico City LA JORNADA in Spanish 7 Sep 94 p 47)

From January to September, trade between Mexico and the EC began to experience a significant reduction in exports, while imports registered a constant dynamism. This prompted Mexico's trade balance vis-a-vis the EC to experience a deficit of approximately 870 million European Currency Units. The largest deficits are basically with countries such as Germany, Italy, and the United Kingdom. Until September, Mexican exports to the EC suffered a 9-percent drop compared with 1993. As a result, oil exports registered a 16-percent drop. Mexico is becoming the EC's leading market in Latin America: EC exports to Mexico reached 26 percent. (Mexico City EL FINANCIERO in Spanish 7 Sep 94 p 8)

The Commerce and Industrial Development Secretariat (Secofi) announced yesterday that 52.4 percent of the commitments to increase productivity among state-owned capital goods producers have been fulfilled. In an official report, the Secofi indicates that based on those commitments, the installation and operation of the joint consultative commissions for Mexican Petroleum (Pemex) and other companies were implemented. The Secofi explained that both Pemex and the Federal Electricity Commission were authorized, as of 8 August, to use their reserves for 142.8 million and 1.112 billion new pesos, respectively, in keeping with NAFTA guidelines regarding purchases by the public sector. The National Foreign Trade Bank allocated 7.353 billion new pesos in funds for a total of 1,122 companies. (Mexico City EL FINANCIERO in Spanish 7 Sep 94 p 31)

It will not be until 1995 when French investors will decide if they will invest in Mexico or if they will merely continue exporting to that country. This waiting period is intended to give them the opportunity to assess the behavior of NAFTA, with which they will gauge the competitiveness of the U.S. side. According to French diplomat Gilles Baudouin, France ranks third among foreign investors in Mexico with 3.8 percent of the total. Baudouin added that during the 1989-1993 period, French investment amounted to $850 million. During the first half of 1994, Mexico bought French products for $640 million compared with $383 million in 1993. (Mexico City EL FINANCIERO in Spanish 7 Sep 94 p 26)

The president of the Mexican Association of Importers and Exporters said today that by year's end, Mexican exports to the United States will amount to $100 billion, within the framework of NAFTA. (Mexico City XEW Television Network in Spanish 0430 GMT 8 Sep 94)

According to the Bank of Mexico, the inflation rate reached 0.5 percent in August, and thus far this year, total inflation amounts to 4.26 percent. The current inflation level is the lowest registered in the past 22 years. Coffee, housing, and garments registered the highest price increases. (Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 9 Sep 94)

Following the stable increases that led international oil prices to their highest levels since May 1993, oil prices virtually plummeted last August. That month, the price of Mexican oil exports averaged $13.22 per barrel for the first eight months of 1994, that is, a 0.53 cent drop compared with the same period in 1993. In U.S. markets—where 73 percent of Mexican oil exports flow—the drop reached more considerable proportions when the monthly average price for crudes such as the West Texas Intermediate, Cushing type, only reached $18.47 per barrel. (Mexico City EL FINANCIERO in Spanish 10 Sep 94 p 3A)

Costa Rica

Interests Section To Be Opened in Cuba

PA1409045394 Hamburg DPA in Spanish 2158 GMT 13 Sep 94

[Text] San Jose, 13 Sep (DPA)—In approximately two weeks, the Costa Rican Government will establish an interests section in Cuba to help Cubans who have relatives in Costa Rica obtain visas, Foreign Minister Fernando Naranjo said today.

The measure follows San Jose's decision to receive Cuban "economic" immigrants with relatives in Costa Rica—a decision adopted 10 days ago.

Naranjo said that within the next few days the Foreign Ministry will appoint a "responsible and well-known politician" to head the interests section. He added, "We will try to prevent what happened in the past; in other words, we do not want the Cuban crisis to become a visa business."

Naranjo said the establishment of an interests section, which will operate under the Treaty for Reciprocal Diplomatic Assistance that exists with Spain, is not a step toward the opening of a consulate or the resumption of diplomatic relations.

"For that to happen, the Cuban Government must advance in the democratization process," he stressed.

Naranjo said Costa Rica would like to see Havana's return to the OAS, but as long as the country is democratized and heads toward free elections, independence of the judicial branch, people's participation, and respect for human rights. [sentence as received]

Guatemala

Vice President Says Invasion of Haiti 'Only Option Left'

PA1309231394 Panama City ACAN in Spanish 1523 GMT 13 Sep 94

[Text] Guatemala City, 13 Sep (ACAN-EFE)—Guatemalan Vice President Arturo Herbruger has said a military invasion is the only option left to oust the dictatorship and restore democracy in Haiti.

In statements published today by PRENSA LIBRE, Herbruger pointed out that all efforts directed toward the Caribbean island have been exhausted and that armed intervention by a multinational force headed by the United States is imminent.

The vice president believes the situation in Haiti has reached "unstable" proportions, because all efforts made by U.S. President Bill Clinton to convince the military regime to surrender power failed.

Herbruger explained that although accepting an invasion is "very difficult, it is the last resort to ensure that the democracy represented by the (exiled Jean-Bertrand) Aristide government will become a reality."

However, Vice President Herbruger remarked that the Guatemalan Government accepts the invasion only from the point of view of restoring democracy, because "respecting the people's self-determination is important." He stressed that Guatemala will not take part in the multinational force that reportedly would invade Haiti.

De Leon: 'Civilian Volunteers' May Participate in Haiti Invasion

PA1409021594 Panama City ACAN in Spanish 0110 GMT 14 Sep 94

[Text] Guatemala City, 13 Sep (ACAN-EFE)—Guatemalan President Ramiro De Leon Carpio today did not rule out the participation of "some groups of civilian volunteers" in the U.S.-led multinational invasion of Haiti.

In statements to the press, De Leon affirmed that at this moment the Guatemalan Army has not even considered nor does it have the capacity to support that mission, based on a UN Security Council resolution.

"Possibly some groups of Guatemalan civilian volunteers have already stated that after receiving training, they may go to Haiti. This is something I cannot prevent," the president explained.

Following an intervention to topple the de facto Haitian regime, Central America will have to analyze the possibility of supporting a democratic regime in Haiti, whose military government violates "flagrantly the human rights of Haitians," De Leon noted.

"Haiti is an authoritarian military power which, above all, does not draw legitimacy from the Haitian people," added the president. He was commenting on the regime of General Raoul Cedras, who in September 1991 overthrew President Jean-Bertrand Aristide.

De Leon noted the agreements, reached with his Central American colleagues, establishing guidelines to support those countries accepting refugees and to respect those who do not.

Interview With URNG Commander Monsanto

PA1009194594 Guatemala City Cadena de Emisoras Unidas in Spanish 1800 GMT 7 Sep 94

["Exclusive" interview with Pablo Monsanto, commander of Guatemalan National Revolutionary Unity (URNG), by Donald Gonzalez; place and date not given—recorded]

[Text] [Gonzalez] Commander, what provoked the interruption of the talks with the government?

[Monsanto] I would say it was the noncompliance with the human rights agreement, which was signed on 29

March this year, that is, more than five months ago. The government, far from complying with the human rights agreement, continues to violate human rights in the country.

[Gonzalez] [question indistinct]

[Monsanto] Where? In what place? Are you talking about the next meeting? The next meeting will take up the issue of the Indian peoples' identity and rights.

[Gonzalez] Commander, then is the timetable being kept, is the timetable that was agreed upon being [words indistinct]?

[Monsanto] Yes, according to what has been scheduled, the next issue to be discussed is that one. Obviously, the timetable is currently not being followed. Why is this? Well, because there is a two-month delay in discussing the issue.

[Gonzalez] To continue with the issue you mentioned—Indian matters—we have fallen behind. That issue should have been discussed in June. Will peace be signed, after all, in December or will [words indistinct] the parts reiterate the advantages to all the measures that favor the rapprochement [words indistinct]. Commander, in Guatemala should we believe that the URNG command would also be willing to intensify those situations so that peace can be achieved in December?

[Monsanto] The initiation of the discussion of the issues and the agreements does not depend on the URMG's political willingness. We have stated on numerous occasions that we are very willing, that we have the inclination to proceed with the negotiations. This is why we agreed to sign the timetable. Now, the first point on the signed timetable, according to them, is a guideline on discussing the issues. The point indicates that this timetable can be readjusted by common agreement of the two parts, as long as it not possible to meet the timetable as set out in the agreement.

[Gonzalez] Commander [words indistinct] do you believe that peace can be signed this year—yes or no?

[Monsanto] I do not believe that the problem is whether we want peace to be signed this year. What one wishes is one thing and reality is another. For example, the process is currently bogged down due to the government's noncompliance with the human rights agreement. This agreement was signed on 29 March and [words indistinct] the government continues to violate human rights. The statements issued on the part of the government that it is going to comply with the agreement are not enough. Actions are necessary, actions that demonstrate that the government and the Armed Forces are truly willing to comply with those agreements.

We [word indistinct] this because since October last year, when the government presented its peace proposal—the proposal attributed to Hector Rosada—they made statements in which they made a commitment to comply with the main issues contained in what at that time was the precursor agreements to the human rights agreement. From that time on, we have been insisting on the government's compliance with those agreements; however, they violate them constantly, in all its [word indistinct].

[Gonzalez] Commander, why has the URNG increased its hostilities, especially against military detachments?

[Monsanto] Look, this is part of the dynamics of war. It is part of our military strategy, because the war has not ended. The fact that negotiations are being held does not mean the war has ended, more so when the Army continues to launch military operations against our fronts, continues to force people to form civilian self-defense patrols in several areas of the country, and continues to violate human rights. We will continue to implement our military plans as long as such a situation exists.

Thus, the URNG military actions in the past few days are part of our strategy in the general war process. We are pacifists by conviction. We want peace. We are negotiating to achieve peace.

[Gonzalez] However, commander, the attacks have been directed at military detachments where soldiers are stationed. The clashes have not occurred in open fields but have been attacks on military facilities. Why is this? Is the war worsening?

[Monsanto] No. Look, most of the clashes have not been attacks on garrisons; only two were attacks on garrisons. The rest of the clashes have been ambushes on highways or roads. The only attacks were the ones at Chupol and the San Marcos estate.

[Gonzalez] Let us be specific. The Archbishopric's Human Rights Office [ODHA] has investigated and reported yesterday that the URNG is responsible for the death of a woman and the injuries inflicted on several people in Chupol. What can you tell us about this, Commander Pablo Monsanto?

[Monsanto] Well look, we issued a public communique to clarify those events. According to the information given by our officers, the soldiers were the ones who fired at the bus. Our forces were no longer at the site when the bus was attacked. Our forces were far from the place. Our people, who were stationed at roadblocks we had set up, saw how the Army fired on the bus. Now, regarding the ODHA report, the direction of the bullets shows that our men could not have fired them because, precisely at that moment, the Army forces moved to those positions and fired at the bus, which had not obeyed our comrades' call to halt.

[Gonzalez] The people who were in the bus, Commander, asserted that the rebels were the ones who fired. They said the people were not dressed in complete uniforms, had different types of weapons, and all talked in (?Cakchiquel) dialect. The fact that they spoke in

(?Cakchiquel) does not define them from one side or the other, but the people present told ODHA that the rebels were the ones who fired. Do you think your officers could have made a mistake?

[Monsanto] I do not believe so. The reason people say those things is because the Army pressures them to do so. According to the reports, the bullets embedded in the bus were 5.56 mm. Those bullets are for Galil rifles. We use Soviet-made AK-47 rifles that use 7.62 mm bullets.

[Gonzalez] Commander Pablo Monsanto, why does the URNG insist on destroying the country's infrastructure? The recent examples that stand out are the Guatel [Guatemalan Telecommunications Enterprise] antenna in Chalatenango, the fire department antenna in San Marcos, the destruction of electricity posts in several communities, and the destruction of bridges here in Guatemala.

[Monsanto] Those are all military sabotage actions. The microwave communication antennas are used for Army communications. The Army transmits its military plans to its bases through the microwave communication antennas. It also uses intelligence and communication recourses in other institutions, such as the fire department, and others, because they are all part of state security. Our sabotage actions are directed at impairing the enemy Army's movements and communications.

[Gonzalez] Commander, you are saying that the San Marcos firemen are in some way being used by the Army or [words indistinct]?

[Monsanto] Their installations, their means of communication are used by the Army and state security.

[Gonzalez] Commander, the Army charges that the URNG command staff does not control its units. Can you comment on this?

[Monsanto] Look, this is something the Army has been saying for many years. Undoubtably, they wish our officers would not obey the general command's directions and orders. The Army has also speculated on a schism in the URNG command and has even attributed attitudes and positions to us in relation to the negotiations, etc. All this is part of the Army's policy to create confusion and try to besmirch the URNG image, the image we have with the people of Guatemala and in the international community.

[Gonzalez] Commander, about what you are saying, are there differences between URNG commanders? It has been speculated in Guatemala that Gaspar Ilom [Rodrigo Asturias Amado] and Carlos Gonzalez follow a different line than Rolando Moran and Pablo Monsanto [Jose Soto Garcia]. Is this true?

[Monsato] No way. This is not true at all. We practice a collegiate leadership, we represent four organizations that are headed in the same direction, with the same goals, and we do this together. All these campaigns are attempts to weaken the URNG politically and militarily, but they will never accomplish this. This is a wish they have had for years. All the defense ministers since 1963 have said that they have defeated us. If you look back at the news from of all those years, you will notice they claimed that the guerrillas were defeated, that we no longer existed, that we had little military capacity, and so on, and so on, and so on. This is the image they try to create to maintain Army unity, to maintain the Army's will to fight, and to deceive the people so that they lose confidence in the revolutionary forces.

[Gonzalez] Commander Pablo Monsanto, if the URNG's purpose is to find peace, why collect weapons? In the capital, in Ciudad San Cristobal, a few days ago 700 AK-47 rifles, mortars, and other armament were found. Why keep weapons here in the capital?

[Monsanto] To use them, obviously. We want to use weapons only when necessary. Peace needs building, peace has to be conquered. We have proposed peace with social justice, peace with democracy, not the peace that certain groups, certain sectors of the Army want—peace to stay in power forever and avoid social justice. We want peace for the Guatemalan people, but a peace that means development, progress, and justice for all. If this is not possible, then we are willing to continue fighting, however long it takes.

[Gonzalez] Commander, had you planned to use these weapons here in the capital or is there some special reason why you had them stored here?

[Monsanto] Well, look... [pauses] These weapons are part of the URNG arsenal and the purpose of the arsenals we have throughout the national territory is to arm the military units whenever a certain action we have planned needs to be carried out. These actions may take place either in the countryside or in the cities.

[Gonzalez] Commander Pablo Monsanto, a few days ago, one of the UN human rights' offices condemned the URNG and the government for violating human rights. What do you have to say?

[Monsanto] Look, we believe that in the midst of a conflict, such as the one taking place in Guatemala, as long as there is no mechanism of impartial verification to continuously investigates these incidents, we will not know the whole truth. The truth is that we are blamed for many things that we have not done, which everyone knows are done by the Army and are carried out sometimes by posing as guerrillas, threatening the people if they report or denounce that it was the Army or other state organizations.

[Gonzalez] Commander Pablo Monsanto, what do you plan to do after the war ends? Take part in politics? In other words, what do you plan to do once peace is achieved?

[Monsanto] We are really not interested in thinking about that now. We believe that the government and the

Army are interested in getting all the population to think about what they will do afterward. What is important right now is not what we are going to do after; what is important is what needs to be done now to achieve peace. This is what is important to us. What we do will be decided at the time.

[Gonzalez] Commander, is it true what URNG dissidents say that the URNG general commanders are surrounded by a ring and that only your opinions are allowed and not the opinions of your subordinates?

[Monsanto] You said it—dissidents. Dissidents always have to justify why they are dissidents. I believe that this is their very own personal opinion. The opposite can be seen through the majority participation of URNG organization cadres in decisions that the command makes.

[Gonzalez] Why are guerrillas deserting, commander?

[Monsanto] As far as we know, there have been no desertions. What has taken place are guerrillas being captured. This is part of the violation of the human rights agreement. They have presented them as deserters precisely because they do not want to recognize them as prisoners of war, and as such, they have rights contained within the agreements signed on 29 March.

[Gonzalez] In other words, you do not believe there are defections in your ranks to rejoin the mainstream of society?

[Monsanto] There have been no defections, not at this time.

[Gonzalez] Can you give us an estimate of the number of guerrillas in Guatemala?

[Monsanto] That is very difficult to say. The Army has been reducing our numbers. [laughs] That is what they are saying. They said last year that we numbered 1,500. Defense Minister Mario Enriquez has now said we total 1,800. The truth is I have heard them say how many we were. It so happens our operations are conducted in an increasingly broad area, and we are carrying out more complex operations from a military standpoint. Only they can believe their lies. They want to make the people believe we have a high degree of mobility. How can it be possible for the same unit to carry out an action in Quiche Department, for example, and then move to San Marcos Department? That is something that only enters the mind of the Army. We could not do that even if we had helicopters.

[Gonzalez] What is the approximate number of rebels in Guatemala?

[Monsanto] Our estimates are that we have from 3,000 to 3,500 men.

[Gonzalez] Is it true a brother of Rosalina Tuyuc heads the URNG force that staged an attack in Xepol? I do not know if the people can know that here. As you know, this has been reported almost week after week.

[Monsanto] Enriquez has said that on several occasions, because they are insisting Rosalina Tuyuc is a guerrilla. They want to do that to justify the repression and actions against groups. I am not aware that Rosalina Tuyuc's brother is one of our officers. We do not know the legal names of many officers, so I could not tell you whether Rosalina Tuyuc's brother is really an officer of a URNG unit.

[Gonzalez] With its revolution, Cuba has encouraged many similar movements all over Latin America. What do you think of today's Cuba?

[Monsanto] I believe if Cuba were left alone and did not have the blockade against it, it would be totally different. There have been many exaggerations, and there is much talk about Cuba's current situation, but in northern Mexico yesterday, a bus with more than 50 Guatemalans who were illegally going to the United States was stopped. Nobody is mentioning that incident, however. More than 1,000 Guatemalans enter the United States illegally every month. Why are those Guatemalans going to the United States? There are more than 250,000 Guatemalan refugees in the United States. They left Guatemala, and there is no campaign about that issue. The levels of extreme poverty and backwardness in Guatemala are enormous, but a similar campaign does not exist in this case. The campaign regarding the Cuban situation is prompted by political interests, and we all know from where they are coming.

[Gonzalez] Are the URNG commanders still Marxist-Leninists, or what is their ideology?

[Monsanto] We have Marxist-Leninists in our ranks. We have people who are not.

[Gonzalez] How do you define yourself?

[Monsanto] Me?

[Gonzalez] Yes.

[Monsanto] I have Marxist-Leninist training.

[Gonzalez] Have you visited the commanders in the mountains in Guatemala?

[Monsanto] I visited one of our fronts one month ago. We thought about it, because we brought along a Mexican journalist who taped the visit for television. The taping was not aired, because it was no longer news in view of the situation in Mexico. We visited our comrades there not long ago, telling them how the negotiations are going and sharing what little we could share with them there.

[Gonzalez] Now that you are heading the URNG Command, have you come to Guatemala City, or what is the farthest you have gotten?

[Monsanto] We have come close to the capital city.

[Gonzalez] How do you feel when you come to this country?

[Monsanto] It makes us laugh, because you say when you come, but we have spent most of the time there. We know Guatemala through and through. We know its mountains, roads, villages, the entire people, the people in Peten, Alta Verapaz, and Baja Verapaz. We have visited all the areas where our units are located, not by helicopter but on foot, walking day and night.

[Gonzalez] Awhile ago we were discussing the situation in Mexico. Do you believe there are any links between the URNG and the EZLN [Zapatist National Liberation Army] as was the case between the URNG, the PNLN [expansion unknown], and the FSLN [Sandinist National Liberation Front]?

[Monsanto] There are no links. The Guatemalan Army has done everything within its power to uncover such links, but it has not been able to prove anything at all so far. Even when this arsenal was seized in Guatemala, the Army argued it was probably for the EZLN. They know this was not the case. They know we took this arsenal to Guatemala to be used there, and we have no relation whatsoever with the EZLN or the presumed newly formed group. What we have read is that the emergence of that new group has not been confirmed yet. We have no relation whatsoever with it. Our relations with Mexico are limited to relations with the Mexican Government, and we do not even have any relation with the legal opposition.

[Gonzalez] There are oil fields in Peten, Guatemala's northern area. There are constant attempts against the oil installations there, but this wasted oil can never be recovered, as it has been said, because these are costs that keep adding up to the bill or agreement signed with the oil company. What is the reason behind these attacks?

[Monsanto] These attacks were part of the sabotage we were conducting, and we decided to suspend these activities a while ago. As far as I know, we suspended these activities a year ago. Army troops have perpetrated these attacks in certain instances so as to make people believe we are still involved in activities of this type.

[Gonzalez] We are close to ending this interview. We would like to ask you another question. We do not know whether you are aware the manager of a bank, the Industrial Bank, was kidnapped in Guatemala about a week ago. Did the URNG have anything to do with this abduction?

[Monsanto] Absolutely not. We learned about this abduction through the Guatemalan media. The abduction called our attention, but the URNG had definitively nothing to do with the abduction of this banker.

[Gonzalez] We are about to end this interview. Are there any messages the URNG would like to convey to Guatemalans regarding peace and the clashes, because Guatemalans are always in the middle of these conflicts? What would you, Pablo Monsanto, tell Guatemalans as the URNG general commander?

[Monsanto] Regarding peace, we want to tell Guatemalans peace is not achieved at a negotiations table but, rather, is achieved through a daily struggle. We must continue struggling everyday to achieve peace, peace with social justice and a true, functional, and participative democracy. Through this means, we urge Guatemalans to struggle so the proposals made by the assembly of the civic society will come true at the negotiations table. Guatemalans can fight and express themselves in many different ways.

As for the clashes, the military actions, we will continue them until an agreement for total peace is signed and the agreements to be reached at the negotiation table are fulfilled. No one should think—because it would be mistaken to do so—the war will end the same day a peace agreement is signed; this is not true. The war will only end the day the agreements reached at the negotiations table are fulfilled. As long as the agreements are not complied with, we will remain up in arms, and our weapons will continue shooting. Thus, we will continue struggling until the end.

[Gonzalez] Therefore, the demobilization will not begin following the signing of a firm and lasting peace agreement?

[Monsanto] That is true. Demobilization will not result from the signing of a peace agreement but, rather, from compliance with the agreements.

[Gonzalez] What happens when one of your militants is injured? Do you have a hospital or, if he dies, do you bury him or give the body to his family? What happens in these cases?

[Monsanto] We have a medical infrastructure set up in the country, and it has various levels. Each unit has a health office, which is designed to provide first aid. From there, we take the wounded to places with hospitals and doctors who can perform surgery if necessary. If they need any special treatment or medicines, they can get them at these hospitals. We keep medicines in the mountains, the jungles, the plains, the cities, and anywhere near the conflicts. If anyone dies, we move and bury his body. We take responsibility for the burials of our combatants, because we believe their bodies will be removed some day and taken to cemeteries in Guatemala, and the names of everyone who died in this war will be known.

[Gonzalez] Is it the case, as it has been suggested, that all clandestine cemeteries found in this country belong to URNG combatants?

[Monsanto] No way. The Guatemalan Army knows very well many clandestine cemeteries are its doing. The Army has dug many of them nationwide. Army members have killed thousands of people who were mostly innocent and accused by the Army of being guerrillas only because they did not agree with the government and did not share the activities and position of the Guatemalan Army.

President Blames URNG for Kidnappings, Farm Takeovers

PA1209155194 Guatemala City PRENSA LIBRE in Spanish 9 Sep 94 p 2

[Text] President Ramiro de Leon Carpio has blamed the Guatemalan National Revolutionary Unity [URNG] for the recent wave of kidnappings and farm takeovers.

"It is regrettable to know that the majority of the abductions and occupations are undoubtedly connected to the subversives. De Leon Carpio made these remarks while commenting on the abduction of Nicaraguan businessman Carlos Gustavo Arguello, which took place on Wednesday in this capital city.

The president did not reject the possibility that the rebels could also be implicated in the disappearance of Rodolfo Castellanos Diaz, manager of the Industrial Bank. He indicated that the guerrillas have been using kidnappings during recent years as a form of "war tax."

He added that the rebel groups and agitators, who are in some way linked to the insurgents, are responsible for the occupation of farms along the southern coast.

"We will not tolerate this situation any longer, despite the tolerance we have displayed because of the peace process," De Leon warned.

De Leon said that a judicial case file will be opened for every illegal act the rebels commit. Hence, in the future, there will be a history of the cases the URNG is accountable for, even though the names of those directly responsible are not listed.

"The judicial action is directed at averting impunity, especially in the cases of land takeovers. On this I will act in accordance with the law, in order to prevent uncertainty, insecurity, and damage to the nation's economy," the chief of state concluded.

Honduras

Reina Speaks on Economic Stabilization

PA1009185394 Tegucigalpa Radio and Television Networks in Spanish 0200 GMT 9 Sep 94

[Speech by President Carlos Roberto Reina in Tegucigalpa—live or recorded]

[Text] Compatriots: Difficulties test the spirit of men and peoples. Men and peoples who overcome difficulties conquer the right to determine their own fate and win the respect of their peers and nations.

I am absolutely convinced this difficult test will further strengthen Hondurans' resolve to ensure that the events that have led our country to the level of prostration we have encountered are not repeated. [Words indistinct] changes in the administration of state have helped us realize the dramatic situation facing the nation's finances: the fiscal disorder [word indistinct] a drastic drop in the standard of living of a large majority of Hondurans, particularly of the poorest.

Due to the situation we have encountered in the country, I have instructed the cabinet to adjust our government plan as soon as possible to the economic and social reality [words indistinct] among others.

These were the (?instructions): respect for tax justice [justicia tributaria] and other principles established by the Constitution of the Republic; respect for the provisions and criteria contained in the government plan I presented during the political campaign; to curb first and reverse later the (?serious) deterioration of our people's standards of living; to tidy up state finances and maintain macroeconomic discipline while managing it and acknowledging the debt without worsening the standards of living of a great majority of Hondurans; and to reformulate the government plan to [words indistinct] the medium- and long-range goals which the Honduran people supported with their votes and to which I am fully committed.

The cabinet, in particular, has assumed the difficult and arduous task of readjusting the government plan. It was to include short-term corrections urgently demanded by the prevailing situation. We set out during our campaign to (?include) the new measures within the strategic framework of the government plan.

[Word indistinct] have kept the directives we have given. The document we are sending with the finance and public credit minister to Congress today is not limited, in content or projection, to the solving of short-term problems. The document is, however, integrated into a strategic concept and is only one of several components that will allow us to jointly revert the accelerated process of deterioration in the country, which is a situation through which the country has suffered long before we assumed the presidency of the Republic.

Thus, the economic stabilization program we are sending Congress is not only intrinsically linked to the original government program but has the agreement of representatives and security sectors. At a given time [words indistinct] the economic stabilization program was aired, debated, and agreed upon by all the sectors interested in patriotically contributing to such a huge task.

I want to take this opportunity to express my sincere and heartfelt recognition to all the active sectors in the country, the political parties, the deputies of the sovereign Congress, particularly to the members of the Liberal Party on the Central Executive Council, and to all those who participated with good will and love for Honduras in the long meetings in which the economic stabilization program was revealed, improved, and, finally, structured and reviewed.

I am very proud as president of the Republic, because this time is the first in the history of our country that a government proposal has been so broadly and frankly discussed. All the citizens, through their leading organizations, participated in those discussions, and the Congress plenary will discuss it openly in broad daylight, as is befitting of democratic countries.

My esteemed compatriots, [words indistinct] proves—it is an additional proof—outlines, demonstrates, and determines the new style of government I had promised during my campaign. It is a style of government that respects democratic norms and principles and strengthens them when the government performs its daily tasks with the people. We have acted in this manner to avoid mistakes and to create a climate of participation for the entire social conglomerate, for all those who have ideas and something to contribute to further the improvement of the country's finances.

The efforts have produced the fruits we have expected. These fruits came gradually. We ironed out the differences and were finally able to reach fundamental agreements between the government and the private sector. I note this fact with great pleasure, because it demonstrates dialogue is a sure path to understanding among people, and it must bring social peace, which is the final destiny of all of our efforts.

I would have preferred, of course, that the finance and public credit minister had not had to deliver the package he did this morning to the legislative branch. It is somewhat absurd to speak of increasing taxes at a time such as now, when everything is so scarce. The needs of the community can be postponed no longer. There are times when the circumstances surrounding our public and private activities require specific action in order to prevent worse ills later. We are now faced with such circumstances, and the government authorities must act.

I honestly confess the central government does not have enough resources to face its current obligations. I cannot explain this point any clearer. We are in this state today, because certain things were not done during the recent past when they were supposed to have been done. We are in this state because things were done unwisely and, I add, even irresponsibly. They had spent large amounts of money they did not have. The previous administration as of mid-1992 brushed aside the disciplined policies of spending it had followed up to then and decided to undertake several commitments it was unable to meet, because it did not have the necessary resources.

The previous administration used part of the income it expected to obtain from the process of privatization of several government assets in order to face such liabilities. Furthermore, it auctioned off machinery, equipment, and spare parts belonging to the communications, public works, and transportation departments. It paid the cement industry with illegally issued IOU's. It issued IOU's charged to the domestic public debt in order to pay off overdue debts it held with several creditors. It encumbered a large portion of the expected income for 1994 to pay its commitments with domestic and foreign suppliers. Even worse, it withheld a large number of payment orders at the national treasury for the new administration to pay.

We must add to this grave scenario I described the $34 million, or 305.3 million lempiras, that were overdue on 31 December 1993 for the capital and interest payment on the nation's foreign debt. In addition, there was a payment of $7 million, 52.5 million lempiras, outstanding with the Paris Club. We must also add Honduras must disburse $240 million, 2.04 billion lempiras, in 1994 alone for capital and interest payments on its debt with international financial organizations and friendly governments. It must pay 2.28 billion lempiras for the same items next year. This situation should give us a general idea of the extent of Honduras's pending obligations, which must be urgently honored.

I should also mention that with Honduras joining GATT, fiscal collections will be reduced by 215 million lempiras due to the elimination of the 10 percent tariff surcharge and the reduction of the 5 percent surcharge.

Hondurans, we all are paying the price of the fiscal adjustment the previous government had applied at the beginning of 1990. Due to the lack of spending discipline and the noncompliance of fiscal deficit goals in 1992 and 1993 which was also transferred to 1994, we are forced to make yet another fiscal adjustment.

In the dialogues and consultations held, this experience has been a concern to all sectors, and rightly so. Due to all of the procedures of the past, Carlos Roberto Reina, constitutional president of the Republic, is giving his word of honor before all the Honduran people at this historic moment that the people will not be abandoned the way the previous regime had abandon them, because we will not incur excessive expenditures that will lead us to yet another adjustment within four years.

I am leaving this commitment on record, because before the end of the year we will have a program of public sector investments for the 1995-1997 period, and we will abide by it. I am leaving this commitment on record by the fact that my administration has already taken the first steps to modernize the Honduran state apparatus, reducing it by what the national economy demands and can support. I am also leaving this statement on record by the fact that we will use our best efforts to reduce the fiscal expenditure the foreign debt represents.

Lastly and perhaps the most important, I want to leave on record that the watchword is that all public officials and workers will act with probity, honesty, and efficiency, for the benefit of the great majority of our people.

We will thus attain a sustainable fiscal deficit. These are the rules to which Honduras must submit in exchange for maintaining and increasing the future benefits international trade demands in this world of the global economy.

Fellow Hondurans, as a result of the serious fiscal deficits caused by the fiscal behavior of the previous administration during 1992 and 1993, the first eight months of 1994 reflected an increase in the consumer price index, which measures inflation, of 21 percent. We have to face, therefore, the depressive fact that Hondurans, particularly the poorer sectors of society, have suffered a continued loss of real income. To make matters even worse, the central government will need 584 million lempiras for 1995 to cover expenditures in connection with the civil registry; the Ministries of Foreign Affairs, Defense and Public Security, Education, Public Health; the Honduran Social Investment Fund; the Family Fund Program; the Central American Court of Justice; and the Attorney General's Office.

Due to this situation, my government has adopted measures with a view to reducing the current public sector expenditures by 10 percent, excluding social expenditures. The government has decided to reduce public investment by approximately 1 billion lempiras and to renegotiate the contracts for public works that were being implemented but could not be honored.

The government has also eliminated unnecessary subsidies. Despite the significance of these reductions, the government is still facing serious difficulties, particularly in the financial area. Such difficulties are undoubtedly the result of the situation I have just described. The government has not adopted thus far nor considered adopting measures such as price controls or any other measures that may interfere with the proper operation of a market economy. The government has instead followed a restrictive policy in the monetary and credit areas and has modified the foreign exchange system to free it from the pernicious influence of certain speculators.

A fiscal adjustment is obviously necessary to increase revenues and to correct deficiencies existing in tax management policies. Everyone knows the current taxes are not yielding as many revenues as they should. Fiscal evasion, fraud, smuggling, and corruption are endemic evils, and if they are not fought with the dynamism and strength required by the circumstances, they will continue nullifying the gain of the tax system. Thus, I am announcing that measures aimed at regulating the conduct of economic agents in their compliance with tax obligations will be adopted shortly, as well as measures regulating the conduct of public officials and employees responsible for fiscal management.

To achieve this goal, we submitted today the Draft Tax Code Bill to the sovereign Congress in order to establish the general principles and the administrative, penal, and procedural norms needed by the national legislation not only to modernize the tax management system but also to correct the endemic evils mentioned above.

In addition to this bill, the executive branch has submitted to Congress bills on the following: the restructuring of the sales tax; tax simplification; the financing of social expenditures; the tax on net assets; monetary law reforms; Decree No. 18-90 issued on 3 March 1990; and the special plan for coffee production. With the exception of the tax on net assets, which will constitute, if approved by Congress, an innovation to the current tax system, all other bills are only modifications or reforms to the judicial ordinances.

Contrary to what has been speculated, the fundamental objective of the initiative is not to expand the tax rates but, rather, to establish a mechanism that will allow the taxes to generate the income they should have always yielded. Nothing illustrates what I have just said better than the current use of the duty-appraisal factor in the payment on importation papers. This mechanism has reduced the prepayment tax by 23 percent on a whole and has evidently resulted in a fiscal loss.

Contrary to what several media sources have been asserting, the implementation of the proposed measures will not have, in general, a negative impact on the great majority of the people. I repeat: The great majority of the people will not be negatively affected by the proposed measures.

I know our country, all its corners, and all its dimensions. I also know of the poverty afflicting most of our people. Thus, I am the person who is least interested in worsening their difficulties and the hard circumstances in which our compatriots have to live. That reason is why we have also changed the contents of the basic bread basket to favor the low-income sectors in our society although we have increased the base of the sales tax so that taxes will be payed on certain merchandise as well as certain services. Thus, electricity, potable water, medicine, medical and hospital services, and education will be exempt of this tax as well as, in general, all the goods and services that are essential to a collective wellbeing.

The bill has eliminated the export tax levied against coffee growers so as to increase the competitiveness of that product on the international market. Coffee growers were benefited, because the income tax was reduced from 35 to 20 percent on extraordinary revenues obtained from coffee sales when the price at the New York stock market exceeds $80 for each 46 kg.

Even more important is that my government, bearing in mind the future of the coffee industry, is planning to establish a trusteeship with 80 percent of the fiscal take of the next two years so as to ensure that generated profits will serve, among other things, to implement programs in support of education and rural development, particularly in the areas contributing the most to the production of this grain.

Concerning the income tax, the bill proposes the elimination of the current 10 and 15 percent surcharges and the establishment of a special regime to set up a 10 percent tax on the interests paid by banks and other financial intermediaries to their depositors and investors. Thus, the current law would be modified to ensure its efficiency, because it has jeopardized the banking sector so far and has created distortions favoring stock exchanges.

I am also informing the citizens with pleasure that the bill to restructure consumption taxes, to simplify the taxing system, and to finance social expenses contains provisions to eliminate the tax exemption of individuals and corporations who may join in the future the temporary import regime created through Decree No. 8-85 of 7 February 1985. This benefit will continue to be enjoyed until its expiration only by those companies that are already enjoying it when the corresponding decree comes into force as long as they joined the regime legally and have been strictly complying with the obligations specified in Article 3 of Decree No. 37 of 20 December 1984.

We seek to establish with this measure an equitable treatment for tax purposes, to end abuses that have been committed by many companies to the detriment of Honduras, and to guarantee to investors the legal securities for all their investments.

Finally, the bill on the net assets tax aims to ensure that merchants and industrialists who have net assets of more than 500,000 lempiras and who have not been paying income taxes will do so, because it is a citizen's duty to contribute to the expenses of the Republic. Thus, this tax will not affect those who have been paying income tax, because they will be able to deduct such payments from the taxes on net assets.

Compatriots, I believe I have deserved the trust you had in me in the elections. I urge you to help me move the country forward. I have done nothing more than fulfill my duties as an honest man and responsible citizen. Only with your help will we be able to overcome the crisis we inherited from old styles of government. Better days will come with your help for all Hondurans, and the most benefited will be those who have suffered social injustice the most.

I have full faith, absolute faith that I will be backed by my people, by that great people to whom I have given my greatest efforts during my long journey through life.

Compatriots, I will not fail you; you must not fail me either. Support me with these measures that are absolutely necessary. Thank you very much.

President Defends Economic Measures

PA0909213094 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 9 Sep 94

["Exclusive" interview with President Carlos Roberto Reina by unidentified reporter on 8 September; place not given; from "The Morning Paper" newscast—live or recorded]

[Text] [Reporter] Do you think your radio and television message was convincing?

[Reina] My sincerity is evident. I hope the Honduran people understand that these measures will resolve the many problems we are facing. We have very few alternatives: either support the legitimate government so that we may pull out of a difficult economic situation or see democracy descend into chaos. I think we must understand this clearly and realize we cannot turn our back on the country. My government's credibility is based on specific facts: first, on its legitimacy, based on the elections; and second, on our fulfilling of campaign promises. By applying these economic measures we are complying with what we promised in our campaign. These economic measures are not targeted at the majority, but are meant to improve their lives.

Some people have tried to misinterpret the situation and fool the people. This is why I hope my message reaches the hearts of Hondurans and that they give me the support I really need at this moment.

[Reporter] In addition to proposing these steps to resolve the country's social and economic crisis, you mentioned the origins of this crisis.

[Reina] Many people have commented on this because there has been too much deception. It was reported that [words indistinct] had a certain amount at the conclusion of the past administration, but it was not said that the size of the debt was any greater.

I had relevant data at my disposal but chose not to provoke a confrontation with my address to the nation. I do want to make matters clear, though. This government has been in a very difficult situation. We hope that by next year, in seven months, we will be on our way to resolving this difficult situation.

Nicaragua

Daniel Ortega Recognizes Only One Sandinist Wing

PA1309162294 Managua BARRICADA in Spanish 11 Sep 94 pp 1,8

[Article by Juan Ramon Huerta]

[Text] Matagalpa—Daniel Ortega, secretary general of the Sandinist National Liberation Front (FSLN), said yesterday he believed there would not be a division in the Sandinist wing, while he announced that his main task is to unite forces. "I only recognize one wing," he said, serenely, and in a conciliatory tone.

During this first contact with the press since he returned from Libya on Friday, he declared that, as FSLN deputy, he will fight for a law that will put an end to the property problem, "because this is the issue that will guarantee Nicaragua's stability."

The FSLN, he added, will continue to foster unity in democracy in order to seek an internal consensus that will strengthen the parliamentary task and, from that position, defend the needs of the people, such as jobs.

With regard to the constitutional reforms, he said "these should be the subject of a referendum among the people, who do not have to depend on the decision of the parties wing leaderships in the legislative assembly.

As negotiator of these reforms last year with the UNO [National Opposition Union], he recalled that a large part of that coalition—when it was still united—agreed that a broad consensus should be reached, as it is not necessarily advantageous to have a majority by a slight margin.

Ortega expressed his optimism that there is still time to achieve a more balanced consensus with regard to the constitutional reforms.

Yesterday, Commander Ortega traveled to the rice cooperative Omar Torrijos—located between Dario and Sebaco—to inaugurate a hanging bridge and to talk with the peasants in that area.

The Sandinist leader was accompanied by FSLN deputy Ramon Aragon, who refused to comment on the crisis in his wing. Nevertheless, he admitted there is discontent among the Sandinists, while noting that he hoped this would be overcome.

Aragon offered the 39 votes of the FSLN wing to support the negotiations on an extension for paying taxes requested by the northern cooperative members. This is a draft bill to be presented at the legislative assembly next week, Ariel Bucardo, vice president of UNAG [National Union of Farmers and Cattlemen], reported.

Throughout his speeches yesterday, Commander Ortega reiterated a call to his comrades who have distanced themselves, thereby ignoring the FSLN directorate, urging them to exercise internal democracy by setting out their points of view and by listening to the others.

He defined unity in democracy as a new practice within the FSLN, in which ideas are debated and are submitted to a consensus. Nevertheless, in the end, what the majority decides should be accepted; "not to accept it is to deny democracy and to be imposing," he noted.

He noted that the Sandinist Assembly had called on the strengthening of the dialogue and that "the spirit of non-exclusion prevails" in its resolutions.

He said that it must be recognized that there have been fundamental changes wilthin the FSLN and that there are intellectuals who demand participation and who should be taken into account. "Their views cannot be underestimated," he noted.

Referring to the need to review the editorial policies of the Sandinist media, including that of BARRICADA, Daniel Ortega said that the policies should be coherent, "without ambiguities, and united."

"It is a matter of concern for the rank and file that while the right sector's media has a clear and coherent policy toward the FSLN, this party does not have one toward those parties.

Ortega urged not to put aside this debate indicating he believed this would not cause problems. "To believe this cannot be done would be to deny the debate," he noted.

Assembly Resolution Instructs Ortega To Take Assembly Seat

PA1409004494 Managua BARRICADA in Spanish 11 Sep 94 p 8

[Resolution issued by the Sandinist Assembly in Managua on 9 September]

[Text] In a lengthy statement released early yesterday morning, the Sandinist Assembly issued a resolution instructing Commander Daniel Ortega, secretary general of the FSLN [Sandinist National Liberation Front], to occupy his seat as deputy in the legislature and to head the FSLN legislative bloc.

According to the interpretation of a member of the National Directorate, "only those who accept Daniel Ortega as head of the bloc will continue to be Sandinist deputies."

The text of the resolution is as follows:

Bearing in mind:

A. According to *Article* 64 of the *Statutes* approved in a special meeting of the FSLN Congress, the FSLN deputies at the National Assembly must follow the specific decisions of the party's representatives in the National Assembly.

B. In accordance with the *Statutes*, the Sandinist bloc does not have statutory autonomy (as is clearly established in the case of the 19 July Sandinist Youth Movement, *Article 67*). Therefore, the internal regulations that currently govern the bloc are subordinate to the *Statutes*, and it is up to the Sandinist Assembly—in accordance with *Article 22, Subparagrah F* of our *Statute*—to approve the regulations of its legislative bloc.

C. According to *Article 22, Subparagraph C*, the Sandinist Assembly is responsible for "deciding the policies of alliances and relations with the government and other parties in the country."

D. According to *Article 29, Subparagraph A*, the FSLN secretary general is the official and legal representative of the party.

Decides:

1. Companero Daniel Ortega Saavedra will occupy his seat as deputy in the National Assembly. Until the regulations for our legislative representatives are approved, and by virtue of his position as secretary general, he will be chief of the legislative bloc of the

FSLN deputies. The National Assembly board of directors will be notified of this decision, in accordance with the *National Assembly Regulations.*

2. The FSLN urges the companero deputies who make up the Sandinist bloc to distance themselves from groups interested in dividing the party and to honor their commitment to the organization under whose name they were elected.

3. The Sandinist Assembly urges all FSLN members to continue strengthening the ranks of the party and to actively participate in the process to elect municipal and departmental authorities, as elements that intensify and strengthen Sandinist unity.

Managua, 9 September 1994

Sandinist Assembly, FSLN

Sandinist Bloc Splits; Ortega Calls Emergency Meeting

PA1309131594 Managua Radio Nicaragua Network in Spanish 1200 GMT 13 Sep 94

[From the "This Morning" newscast]

[Text] The Sandinist bloc in the National Assembly split on Monday afternoon after 29 of its members elected Dora Maria Tellez as the new head of the Sandinist wing, thus disobeying a superior order by the FSLN's [Sandinist National Liberation Front] Sandinist Assembly, which stated that Daniel Ortega should take his seat and head the Sandinst bloc.

The Sandinist bloc has split into two groups: the majority group backing Dora Maria Tellez, who heads the reformist group; and the radicals, who, beginning today, will be headed by Daniel Ortega. This group is only comprised of 10 deputies, of which one is an alternate.

The election of Dora Maria Tellez as the new head of the Sandinist wing prompted Daniel Ortega to call the National Directorate to an emergency meeting to deal with the new incident of disobedience by reformist Sandinist deputies.

Daniel Ortega Urges Sandinists 'To Remain United'

PA1409045294 Managua Radio Sandino in Spanish 1200 GMT 13 Sep 94

[From the "Events" newscast]

[Text] Deputy Daniel Ortega Saavedra, secretary general of the FSLN [Sandinist National Liberation Front], called for Sandinist unity after a news conference yesterday:

[Begin Ortega recording] On behalf of the hungry and unemployed who have placed their hopes on the FSLN, I urge all Sandinist militants and the rank and file to remain united in these difficult moments; to remain united and [words indistinct] and combat with vigor and determination any divisionist (?faction) within FSLN ranks. Today, more than ever, we need to remain united in order to attain victory. [end recording]

FSLN's Ramirez Receives Death Threats From 'Radicals'

PA1309150594 Managua Radio Nicaragua Network in Spanish 1200 GMT 13 Sep 94

[From "This Morning" newscast]

[Text] Dr. Sergio Ramirez Mercado, former head of the Sandinist wing of the National Assembly, reported Monday night that he had received death threats from Sandinist radicals who are followers of Daniel Ortega.

Ramirez Mercado said that during a Sandinist assembly on Saturday at the Central American University, a group of radical hardliners threatened to kill him and unleash violence.

On Sunday, Carlos Guadamuz, director of the pro-Sandinist Radio Ya, broadcast inflamatory attacks against the Sandinist reformist leader, whom he called Judas, adding that he would end up hanging himself.

Daniel Ortega Confirms Removal of BARRICADA Director

PA1309144494 Managua Radio Nicaragua Network in Spanish 1200 GMT 13 Sep 94

[From the "This Morning" newscast]

[Text] Daniel Ortega, secretary general of the Sandinist National Liberation Front and leader of the Sandinist radicals, confirmed that Carlos Fernando Chamorro, director of BARRICADA—the official Sandinist mouthpiece—will be removed from his post for his alleged support for Sergio Ramirez Mercado's group. Ramirez leads a group of reformists within the FSLN.

Daniel Ortega made the announcement on Monday over a local radio station and said that the appointment of Carlos Fernando Chamorro as BARRICADA director was an act of uprightness and his removal will be the same.

Sandinists sources say that the economic cost of changing the BARRICADA director will be high because the loss of advertising revenue will bankrupt the newspaper.

BARRICADA Director Not Resigning

PA1309185394 Managua Radio Nicaragua Network in Spanish 1200 GMT 12 Sep 94

[From the "This Morning" newscast]

[Text] With the determination characteristic of gladiators who have faced a thousand battles, and like a rebel leader convinced of his cause, Carlos Fernando Chamorro has defied the Sandinist Assembly that fired him as director of the BARRICADA newspaper in the same way as the assembly fired the former leader of the Sandinist bloc, Dr. Sergio Ramirez Mercado.

Carlos Fernando Chamorro, who has been director of BARRICADA for the past 15 years, was the target of the radical sector of the Sandinist Party because of his alleged support of the sector calling for a renewal of Sandinism.

Questioned by journalists regarding the Sandinist Assembly decision to review his tenure as director of BARRICADA, Carlos Fernando Chamorro replied: I will not resign from my position. If the Sandinist Assembly wants to fire me let them exercise the power they have.

Panama

Balladares on Haiti, Cuba, Canal, Noriega

BR0809121294 Madrid ABC in Spanish 4 Sep 94 p 10

[Interview with Panamanian President Ernesto Perez Balladares by Isabel San Sebastian in Madrid; date not given: "I Do Not Approve Under Any Circumstances of One Country's Invasion of Another To Restore Democracy"—first paragraph is ABC introduction]

[Text] Perhaps because of his self-assurance, even before entering office last Thursday, impatient to explain his many and varied ideas to the world, he set off on a tour of Europe and the United States in search of support and investments. On his way through Madrid, between a meeting with [Spanish Prime Minister] Felipe Gonzalez and a last-minute meeting with the director general of CESID [Senior Military Intelligence Center], we had an opportunity for a very lively conversation, resumed a few days later, after events had developed...

Cuba, Haiti

[San Sebastian] A military invasion of Haiti seems increasingly likely, with the aim of ousting Raoul Cedras' dictatorship. In your opinion, and in view of Panama's experience, would this be an acceptable option, or is the present situation preferable for the Haitian people?

[Balladares] What about the Cuban people? No. For the same reason that I do not approve of or agree with, and did not at the time approve of or agree with the invasion of Panama, so I cannot under any circumstances approve of one country's invasion of another to restore democracy. Anything that may be done to achieve this peacefully has my support, however.

[San Sebastian] Does that include blockades?

[Balladares] Blockades, embargoes, further sanctions of an economic nature...

[San Sebastian] More sanctions? If that happens people will die of starvation in the streets in Haiti as in Cuba.

[Balladares] They are already dying.

[San Sebastian] Would it not be quicker and more effective to carry out a "surgical operation" to resolve the problem in two days?

[Balladares] An invasion by whom? Justified by whom? Supported by whom? Ordered by whom? The only way such an invasion could be understandable, though not supported, would be as a result of a UN mandate. Not under any circumstances a unilateral action.

[San Sebastian] By that token, would it not be better to lift sanctions and to leave each country to resolve its own problems without interference?

[Balladares] No. I think that economic sanctions have a major effect in exerting major and effective internal pressure.

[San Sebastian] But Castro has endured it for 30 years, and is still there...

[Balladares] This is unfortunately true; but I still think that these sanctions are the best means of preventing this kind of military regime from proliferating everywhere...

[San Sebastian] ...Even though people are dying of starvation or fleeing in vast numbers on floating coffins, to drown at sea or to be eaten by sharks...

[Balladares] Well, look: In the final analysis, whose task is it to shake off those regimes? That of the people who have to endure them, is it not? So we are acting correctly by putting pressure on those who must act. As for the Haitian boat people and refugees, I think that the only thing we can do—and we are doing it—is to receive them in our country: temporarily, of course.

[San Sebastian] Let us return to your country. Is it now known exactly how many Panamanians died in the invasion and where their remains are?

[Balladares] No; just one would already have been too many, and there were many more. How many? Where? We do not know, and we will never know. Over the past five years we have tried in every way to involve international organizations—Amnesty International, the United Nations, or the Red Cross—but without success.

[San Sebastian] Is that episode still a stumbling block in your relations with the United States?

[Balladares] It remains a historical fact that we can never accept or agree with, but one that we do not want to remember with a feeling of permanent resentment, which would do us no good. We have national interests that extend far beyond that matter, and we would be making a very serious mistake by not transcending it.

[San Sebastian] What was your impression of the Spanish Government's response to that event?

[Balladares] I regarded Spain's response—like that of the rest of the world—as a combination of reactions: on the one hand relief at having resolved the Noriega problem; on the other the conceptual nonapproval of the invasion.

[San Sebastian] Should Spain not have issued a rather more vigorous condemnation?

[Balladares] Not at all. Perhaps Noriega feels that, but the opposition to and the rejection of his regime were such that the majority of the country did not feel that. Initially the Panamanian people welcomed the American troops as liberators.

[San Sebastian] Now that you mention it, what does your government intend to do about Noriega?

[Balladares] Noriega was sought by the United States; he was arrested in Panama—or, to put it another way, it bought him—and took him away. They are welcome to him!

[San Sebastian] They bought him in exchange for what? For how much?

[Balladares] They took him for a high price in terms of human life, suffering, and also money—both to themselves and to us. And now they have him. He is theirs.

[San Sebastian] Does he no longer exist as far as Panama is concerned?

[Balladares] Noriega never existed politically for Panama: He inherited a government structure, hijacked a party and placed it at his disposal, but he never commanded the slightest degree of internal leadership.

American Tutelage, Canal Monitoring

[San Sebastian] Do you think that the United States will some day relinquish the tutelage that it has always exercised over Central America, and especially over Panama?

[Balladares] Just as it is relinquishing the tutelage that it has exercised over Europe—over Germany or Spain.

[San Sebastian] Are they comparable?

[Balladares] I think that the U.S. presence—both cultural and physical—is greater in Spain than in Honduras or Guatemala. Do you not think so?

[San Sebastian] I am reminded of the famous remarks concerning [former Nicaraguan leader] Anastasio Somoza spoken by a senior American official: "Yes, he is a pig, but he is our pig..." As far as is known, nobody ever dared to say this of any European.

[Balladares] As far as is known. But I have no doubt about what would have been said, more than once.

[San Sebastian] Certainly. What impact does the free trade agreement signed by the entire North of the continent have on you Panamanians?

[Balladares] It grants us an opportunity for development, and indeed I aspire to Panama's joining this treaty as soon as possible, because we have much closer economic affinity with this bloc than with the agricultural economies of Central America. The expectations are good in this regard.

[San Sebastian] It is hard to believe that Washington will return the Canal to the Panamanian Government in the year 2000, just like that, running the risk of the accession to government of another Noriega, for instance. This being so, what guarantees do you have that this handover really will take place?

[Balladares] It is precisely because of what I have just said that our commitment to democracy is so strong—because we know that we risk losing our gains if we permit any totalitarian episodes. But this is a conviction that cannot be imposed from above but that must be reached from below.

[San Sebastian] So is democracy the precondition for the handover?

[Balladares] There are no official conditions, but from the practical viewpoint, if the free use of the Canal by the nations of the world were to be threatened for any reason in the future, I am sure that there would be a military intervention in Panama. And the common good prevails over that of the individual.

[San Sebastian] Once the Canal belongs totally to Panama, will its use be administered privately or by the state?

[Balladares] The canal itself—locks, water, and so forth—already is, and will remain, state-owned. We believe that the area adjacent to the Canal, the installations established there when it was a strategic military area, which it now no longer is, should be viewed from a commercial viewpoint, subject to some kind of commercial arrangement—sale, leasing, and so forth—with both Panamanian firms and foreign enterprises. I take this opportunity to point out that there is a very major potential for commercial growth there, which we presented to Spanish businessmen and which was received with great interest.

[San Sebastian] The image of Panama in the rest of the world is largely that of a haven for tax evaders, a refuge for money resulting from drug trafficking. How do you intend to alter this perception?

[Balladares] That is true. And indeed the abuse that some people have made of a country with many freedoms, which has created this bad name for Panama, is one of the reasons why I am here: to gain respect for the free and open system that we enjoy, without its being used as a center for laundering money or for concealing tax evasion.

[San Sebastian] The fact is that right now, when some corruption network is investigated in Spain, the inquiries very often lead to a company based in Panama, with bearer bonds...

[Balladares] This is indeed an abuse of our entrepreneurial freedom, which is why an association of Panama's most prestigious lawyers is drawing up a report for me that will enable me to keep one of my most important electoral promises—to establish of clear ties of responsibility between those who establish limited companies and those who use them, especially in the case of unlawful or illegal use, so that there will be no more establishing limited companies for the purpose of selling them to who knows whom and for who knows what purpose...

[San Sebastian] So will our famous Spanish crooks, such as Luis Roldan, for instance, no longer be able to send their corrupt earnings to Panama?

[Balladares] I am not aware that that money is there, but it is very regrettable that such people do use Panamanian companies, and I will do whatever is necessary to prevent this from happening in the future.

[San Sebastian] Will you also ensure that the majority of the ships devoted to secret activities around the world are not registered in Panama?

[Balladares] I will maintain the so-called "flag of convenience," as long as the convenience is economic, not for fraudulent purposes. I will therefore limit the minimum tonnage that we will register so as to prevent small yachts engaged in illegal contraband or drug trafficking from giving a bad name to a flag which helps the Merchant Navy a great deal.

[San Sebastian] Will you adopt any specific measures against drug trafficking?

[Balladares] Whatever measures lie within our reach and we can adopt in cooperation with the agencies and government involved in this struggle. I am convinced that the sovereignty of Panama and the countries around are harmed not by opening our doors to the investigation and prosecution of drugs trafficking, but by our nations' being used for this repellent activity.

[San Sebastian] You mentioned international cooperation: Have you made contact with the relevant authorities in Spain?

[Balladares] Yes. My aides have had several meetings and have given briefings on what we are going to do, and this was very well received by officials who suffer the consequences of misconducted activities and ill-gotten money resulting from such trafficking.

Foreign Minister: No Police Will Be Sent to Haiti

PA1409011394 Panama City Circuito RPC Television in Spanish 2300 GMT 13 Sep 94

[Report by Vicenta Melania Herrera from the "RPC Television News" newscast]

[Text] Foreign Minister Gabriel Lewis Galindo has stated that Panama will not send National Police members in the event of an invasion. According to the foreign minister, sending police officers to Haiti was an idea of the former administration, while the current government agrees with providing support in terms of health care and sending observers to monitor the behavior of civilian police, provided the United Nations submits a formal request.

[Begin Lewis recording] At no time will President Perez Balladares or his administration send police officers to Haiti. I want to make this very clear because we need more policemen for ourselves, not to send to Haiti. [end recording]

Foreign Minister Lewis Galindo confirmed that Panama does not support the idea of an invasion but respects the decisions of the United Nations and hopes a peaceful solution can be found. The foreign minister added that sending medical personnel to Haiti will not detract from health services in our country.

[Begin Lewis recording] We are going to find positions for doctors who need jobs. We must take care of our own problems, and we have hundreds of doctors today who do not have any jobs. That is why we made the decision. We do not make rash decisions but submit things for careful consideration. We have received requests from doctors who want to go and work in Haiti. [end recording]

Regarding the suspension of flights of Cubans to our country, the foreign minister said it was the result of internal problems at Guantanamo Naval Base, adverse weather conditions, and the readjustment of programs based on talks between the United States and Cuba. In that sense, it was said the flights will resume on Wednesday with the arrival of 150 Cubans daily.

Country Not To Participate in Invasion of Haiti

PA1309202194 Panama City LA ESTRELLA DE PANAMA in Spanish 13 Sep 94 p A-2

[Report by James Aparicio]

[Text] An authorized Foreign Ministry spokesman told LA ESTRELLA DE PANAMA that Panama will not participate in a military invasion of Haiti under any circumstances whatsoever.

The Foreign Ministry's statement was made amid the prospect of an imminent Washington-led military operation in Haiti, as announced by the U.S. State and Defense Departments.

Panama has publicly opposed the use of military force in Haiti; however, the source pointed out that Panama could send medical and support staff should an invasion take place.

In an official statement, the spokesman underscored that Panama "is aware of the serious political and socioeconomic crisis the Republic of Haiti and the Haitian people are facing and of the need to find a solution to the problems triggered by said crisis."

The spokesman also said the Ernesto Perez Balladares government "is agreeing to consider the petition the United Nations could make to provide humanitarian support to this country," adding that should the Haitian crisis be resolved through negotiations, "our country would be available immediately."

"Should the crisis be resolved in any other way, our support will be provided after all hostilities cease," stated the Foreign Ministry statement.

In addition, the official statement also stated that Panama will send a "group of doctors, paramedics, nurses, and orderlies to aid in the medical tasks concerning public health and environmental cleaning. [no closing quotation mark as published]

The Foreign Ministry spokesman pointed out that the Panamanian delegation will include a group of observers "to supervise the operations and behavior of the new police force that will be formed in Haiti to ensure that the Haitian people's human rights will be respected."

In August, Panama agreed to host some 10,000 Haitians in a U.S. military area along the Panama Canal because of humanitarian reasons, but the agreement did not materialize.

Panama recognizes that President Jean Bertrand Aristide, ousted two years ago by the Army, currently led by General Raul Cedras, heads the constitutional government in Haiti.

Cuban Rafters Threaten Hunger Strike

PA1309233394 Mexico City NOTIMEX in Spanish 2233 GMT 13 Sep 94

[By Sandra Paez]

[Excerpt] Panama City, 13 Sep (NOTIMEX)—Cuban immigrants in Panama today threatened to begin a hunger strike next Monday if, by then, Cuba and the United States still have not decided on their fate.

The warning was revealed to NOTIMEX today—exactly one week after Cuban rafters began to be sent to Panama—by one of the leaders of the Association of Rafters for Democracy, which was formed on Friday. The same source said the hunger strike would be formally announced on Thursday, adding that 50 people have already expressed willingness to join it.

Cubans coming from the U.S. Guantanamo Naval Base in Cuba started arriving in Panama last Tuesday after the government of President Ernesto Perez Balladares decided to accept as many as 10,000 Cubans for a period not to exceed six months. [passage omitted]

President Calls for Solution to U.S.-Cuba Embargo 'Problem'

PA1209190694 Panama City EL PANAMA AMERICA in Spanish 12 Sep 94 p 1A

[Article by Aquilino Ortega Luna]

[Excerpt] The conflict of the U.S. trade embargo against Cuba is a problem between these two nations; nevertheless, it is necessary to find a solution to this problem, said President Ernesto Perez Balladares upon his return from the Rio Group summit.

On this point, the presidents of the 14 nations indicated that to prevent greater suffering for the Cuban people, it is necessary to find a peaceful transition toward a democratic and pluralist regime in Cuba, which would respect human rights and freedom of opinion, according to the people's will.

Perez Balladares also made reference to the possibility of Panama becoming the Rio Group's headquarters in 1998.

Perez Balladares, who returned to Panama on Saturday, plans to hold his first cabinet meeting early today.

It was learned that the next meeting of this organization of Latin American political consensus and consultation could be held in an unspecified place in Panama City or on Contadora Island, where approximately 11 years ago, it was called to examine the tense situation prevailing in Central America and to achieve peace in the region. [passage omitted]

Party Wants President To 'Suspend' Arrival

PA1409004594 Panama City LA PRENSA in Spanish 12 Sep 94 p 1A

[Report by Hermes Sucre Serrano]

[Text] The Civic Renewal Party has asked President Ernesto Perez Balladares to "suspend immediately" the arrival of Cuban refugees in Panama in view of the U.S. decision to accept only those Cubans who come from the island directly.

A communique issued yesterday by the Civic Renewal Party members states: "We make this request based upon the agreement just signed by the U.S. and Cuban Governments, an agreement in which the United States will accept only those Cubans who come directly from the island, clearly implying that the Cuban refugees being hosted in Panama will have to return to Cuba if they want to go to the United States."

The communique, signed by Carlos Abadia, Civic Renewal Party acting president, and Roberto Brenes, the secretary general, points out that this new agreement changes radically the situation of those Cubans arriving in Panama, because they will be forced to return to their country if they want to go to the United States, which is their final destination.

The Civic Renewal Party members pointed out that "the fact that we lack the socioeconomic conditions to host our Cuban brothers who are fleeing from the disastrous, dictatorial system that has ruled them for more than three decades is common knowledge."

According to the party, Panama has been left virtually responsible for a situation it cannot handle. It will affect all citizens because it heightens all socioeconomic problems and worsens unemployment.

"We remind our rulers that their priority is the welfare of Panamanians, and we do not view this position as being selfish or lacking in compassion for other Latin American brothers. We will support you insofar as we can," the communique adds.

Those rafters being hosted in Panama staged a demonstration on 9 September to oppose the immigration agreement signed by Cuba and the United States, calling the agreement a human rights violation.

U.S. authorities said the rafters being housed in Guantanamo and Panama will have to return to the island before they can apply for a U.S. visa.

Panama and the United States signed an agreement allowing the arrival of up to 10,000 Cubans from Guantanamo. The refugees will stay in Panama for six months.

A U.S. Southern Command communique reported that 672 Cubans have arrived in Panama so far. The refugees are being housed in Nuevo Emperador at a camp called "Safe Haven."

Panamanian Foreign Minister Gabriel Lewis Galindo pointed out that the Cuban refugees will stay in Panama for six months, adding that undoubtedly, the United States will comply with the "arrangement" made with the Ernesto Perez Balladares government.

Lewis, who was summoned to the Legislative Assembly to explain the arrival of the Cubans, stated that U.S. resolve to comply with the agreement signed with Panama will be proven.

Meanwhile, Oyden Ortega, Democratic Revolutionary Party (PRD) legislator, told LA PRENSA that regarding the Cuban refugees, there must be a clear explanation about their "status," because some people are concerned these refugees could work in Panamanian territory.

Ortega, who was one of the negotiators of the Panama Canal Treaties signed on 7 September 1977, maintained that the treaties fail to explain "if the United States could make a unilateral decision on the use of the defense sites for humanitarian causes." He added: "Panama's approval of any use of the defense sites not stipulated in the treaties must always prevail."

Meanwhile, Legislator Aris de Icaza stressed that Panama must continue to support the rafters, because they have been living under wretched conditions, which prompted them to prefer dying on the high seas rather than living under the Fidel Castro dictatorship.

Perez Balladares, Mexico's Salinas Exchange Awards, Speak

PA0809232194 Panama City Television Network in Spanish 1734 GMT 8 Sep 94

[Statements by Panamanian President Ernesto Perez Balladares and Mexican President Carlos Salinas de Gortari at the presidential palace in Panama City on the occasion of the visit of President Salinas to Panama; broadcast in progress—live relay]

[Text] [Perez Balladares] ... because the mark you have left in America is so profound that all of us in the modernization effort will feel the weight of your actions, and also, I hope, the encouragement of your words. When Benito Juarez wandered without respite over mountains and across deserts, seeking to consolidate Mexico's independence and institutions, it was said he, quote, was carrying the weight of the republic on his back,

Those of us who have followed your actions as leader, know you set out to bring up to date your extraordinary project by modernizing the economy, institutions, and Mexican society. During a large part of the six-year period that ends in December, you carried the weight of a national program, which was at first misunderstood, later accepted with reservations, and now admired all over the world. Panama is on the threshold of starting a similar process with its own characteristics although seeking the same objectives.

Thanks to your pioneering work, the path for other countries has been cleared. And thanks to your desire to share with us your experiences, I am certain we will make fewer mistakes. Your country and mine have a long history of joint projects, shared aspirations, and close solidarity. When Panama was demanding to exercise sovereignty over all its territory, it found in Mexico an unconditional friend. I am certain that without the solidarity, I dare say even active support of Mexico and other Latin American countries we would not be getting ready now to run the Panama Canal and take over its adjacent areas. Instead, we would be as we were 20 years ago, demanding recognition of our rights as a state, as a free state, of our most elementary rights. The circumstances have changed today.

In our relations with the United States, the era of confrontation and reproach has ended, making way for a period of cooperation and understanding, without renouncing, of course, our dearest, most legitimate aspirations as a nation. In this regard, you have also been an example on how to move from political conflict to economic cooperation, on how nations with decades-old conflicts and resentment have, in less than five years, formed the largest commercial association in the world.

Panama hopes to join the NAFTA, and it is already adapting its institutions and adopting the mechanism that will allow the country to fulfill integration prerequisites. There is still a long way to go, but it will be longer and more difficult, if we do not take this path soon and with determination. If we had been undecided about undertaking this gigantic task, your presence in our country would have been enough to remind us that utopian undertakings can be accomplished when there is conviction and determination.

Welcome, Mr. President, and many thanks for being here with us. [applause]

[Salinas] Your Excellency, Ernesto Perez Balladares, president of the Republic of Panama; ladies and gentlemen:

This ceremony is proof of the very close relationship between the nations of Panama and Mexico. I especially want to thank you for your invitation to visit this great nation and be the first president to step on this soil since you assumed this great responsibility.

To receive the Vasco Nunez de Balboa Special Grand Cross is something that honors and encourages me. This is a memorable day in our relationship, which confirms and strengthens the friendship between our peoples.

For Mexicans, too, it has been a great honor to place upon the president of the Republic of Panama the Great Collar of the Aztec Eagle—the highest decoration my country awards. We thus recognize the high values of democracy, liberty, national independence, and the encouragement for Latin American integration, which today distinguish the Panamanian people, especially its president Ernesto Perez Balladares.

I am sure that in this exchange of decorations we likewise renew our resolve to strengthen friendship and cooperation between our peoples. Many thanks, Mr. president, for this distinction.

Mexico's Salinas on Positive Aspects of 'Renewed Dialogue'

PA1109043694 Panama City TVN Television Network in Spanish 1856 GMT 8 Sep 94

[Speech by Mexican President Carlos Salinas de Gortari in Los Tamarindos Room of the Palace of the Herons in Panama City—live relay]

[Text] Most excellent Mr. Ernesto Perez Balladares, president of the Republic of Panama; Ladies and Gentlemen:

It is a great pleasure to visit this generous land that is so dear to all Mexicans [words indistinct]. I am sure that this visit to the land of Manuel Amador will strengthen the friendship that unites our nations.

Mexico and Panama share the goal of promoting greater Latin American integration by achieving regional cooperation based on respect and mutual benefit. In defining the goals of your administration, Mr. President, you spoke of participating in a new world that is challenging all of us and thus entails leading a country that is prepared for a new millennium. That is a sign of change and of the hope we share.

We want liberty and sovereignty, democracy and justice for our societies as active participants in the community of nations. That is why this renewed dialogue between Panama and Mexico will certainly have positive effects not only for our bilateral relations but for the effort to promote more efficient incorporation in a new world.

We must take advantage of current realities to strengthen regional political and economic forums with a spirit of equality, respect, and cooperation. That is why we celebrate the reincorporation of your country into the Rio Group. This reaffirms Panama's presence in Latin American dialogue and solidarity and will undoubtedly benefit the entire region.

We are strengthening relations with Panama—a fraternal country, which, as you said, Mr. President, has great potential due to its geographical position and in keeping with its status as a maritime country that is an open bridge for international trade—to move together toward establishing trade that is freer, has greater exchanges, and where distances are shortened.

Most excellent Mr. President, the relationship between Mexico and Panama began early this century, and now our countries are looking toward the future. There are many areas in which we can strengthen cooperation: legal assistance agreements, counternarcotics efforts, and technical assistance and exchanges in communications and computer science. We are advancing in that direction.

Our trade exchange should further reflect the great potential of our economies. We can now resume a phase of increasing exchanges by giving stronger impetus to the partial scope agreement [acuerdo de alcance parcial]. This is noteworthy, but much more can be done in the area of investments and co-investments made by productive sectors of our countries. We share the goal of encouraging investments to generate the jobs demanded and undoubtedly deserved by our peoples. Thus, by intensifying our dialogue, we will make progress in these and other important issues on our bilateral agenda for the benefit our countries.

Ladies and gentlemen: Since 1966, Mexico has declared its support for Panamanian aspirations to exercise full sovereignty over the Canal and its adjacent areas. This will be some of the best end-of-century news. It will be an expression of sovereignty, liberty, autonomy, and self-determination. This will turn Bolivarian thought into a prophecy because it foresaw the canals of Panama reducing world distances.

In the same way, we are tightening and renewing our friendship through dialogue and concrete commitments. Our countries will continue to promote this new era of bilateral relations. I am sure that at this hour in Latin America, Mexico and Panama will say present through joint contributions. That is why I urge everyone to make a toast this afternoon to the unbreakable friendship of Mexico and Panama, and for the health and the personal well-being of President Perez Balladares and his beloved family.

Perez Balladares, Salinas on NAFTA, Trade Ties

PA1109165794 Panama City EL PANAMA AMERICA in Spanish 9 Sep 94 p 1-A

[Report by Arnulfo Barroso Watson]

[Text] President Ernesto Perez Balladares said yesterday that Panama is adapting its institutions and adopting the necessary mechanisms to meet the prerequisites for joining the North American Free Trade Agreement, also known by its English abbreviation NAFTA.

Meanwhile, Mexican President Carlos Salinas de Gortari said that countries that meet NAFTA's prerequisites—NAFTA is formed by the United States, Canada and Mexico—will be able to freely join that initiative "because it is not a closed fortress."

Both presidents' remarks were made during a visit to Panama by Salinas de Gortari, during which a memorandum of understanding on communications and computer technology was signed by the Mexican Secretariat of Foreign Relations and Panama's Foreign Ministry. During the visit the presidents exchanged decorations.

Perez Balladares and Salinas announced that diplomatic and commercial ties between the two nations will improve in the future. Following an exchange of criticism between the governments of Salinas de Gortari and Guillermo Endara, Panama and Mexico had a tense diplomatic relationship. The two presidents also addressed negotiations on the oil debt Panama has to Mexico. They said they hope these talks will end soon with a positive outcome. They pointed out the possibility of private Mexican investors beginning construction in this country in exchange for the debt, which amounts to more than $120 million.

Perez Balladares, in addressing Panama's intentions of joining NAFTA, said: "The road ahead is still long, but it will be more strenuous if we do not set out soon and do so with determination. If we had lacked determination at some point to undertake such a gigantic task, his presence here is enough to remind us all that utopias are possible when there is conviction."

When asked about negotiations on the oil debt, the Mexican president said the total investment that Mexican entrepreneurs will make in Panama has not yet been established, as the specific projects to be included in such an initiative have not been defined.

Nitzia Villarreal, minister of commerce and industry, said the negotiation process is still in its initial stages but is focused on finding an appropriate timetable for Panama to meet its obligations and on reducing overdue interest payments.

Salinas de Gortari said the two countries must take advantage of their economic potential and give the partial trade agreement more support through private investment. He added that relations between Panama and Mexico may improve in several other areas in the future.

Salinas de Gortari spent five hours in Panama. He held a news conference during which he addressed several topics, including the Cuban refugee crisis.

Relatives of Invasion Victims Demand Compensation

PA1209045394 Panama City LA PRENSA in Spanish 10 Sep 94 p 5A

[Article by Orlando Mendieta C.]

[Text] The Association of Relatives of the 20 December 1989 Invasion Casualties has asked President Ernesto Perez Balladares to demand that the United States compensate Panama for the human and economic losses that resulted from the military invasion to overthrow former General Manuel Antonio Noriega.

In a 17-point petition presented to the Legislative Assembly, the members of the Association asked Perez Balladares to declare 20 December as a day of national mourning.

According to the document, the government must compensate the relatives of the 20 December invasion victims because many of them were left without proper economic support.

The document also asks the government to publicly recognize that the U.S. invasion of Panama cannot be justified before the world as an excuse for capturing former Gen. Noriega.

The association has also requested that the soldiers and civilians who took up weapons to defend the homeland be presented with awards, as established in Articles 305 and 306 of the Constitution.

The relatives of the 20 December 1989 invasion victims have suggested that the government pay, in full and in cash, the salaries and vacation owed those soldiers who died in the invasion.

Likewise, they have suggested that the government promise to support the Association of Relatives of the 20 December 1989 Invasion Casualties in the opening of the common graves that still remain to be opened.

The Association is also requesting that the children of the invasion victims be given scholarships. They also ask for justice for residents of neighborhoods affected by the invasion and who lost their homes and belongings.

PTJ Director Submits Resignation to Court

PA0909171194 Panama City LA PRENSA in Spanish 8 Sep 94 p A-1

[Report by Jose Otero]

[Text] Jaime Abad, Judicial Technical Police [PTJ] director, submitted his irrevocable resignation yesterday to the Supreme Court, citing professional reasons. While he tendered his resignation, Abad, Deputy Director Javier Cherigo, and Secretary General Rossana Sanjur filed a joint rebuttal to the report drafted by district attorneys linking them to acts of corruption.

Sources at the Judicial Branch have said the Supreme Court will meet today to analyze the report by the top level commission and the rebuttal by the PTJ directors in order to issue a final report soon. It was announced Abad had tendered his irrevocable resignation, effective 15 September.

"I am infinitely grateful to you for the opportunity and the trust you have confided in me, and you can be certain we have always performed our duties in an efficient, hardworking, and honest manner. I respectfully inform you I will be returning to the University of Illinois, in Chicago, to earn my doctorate, given that I suspended my studies in 1990 to return to the country and serve it with patriotism," Abad stated in his resignation letter.

Abad stated recently he has sufficient proof, documents, and the moral authority to dismiss the charges against him. Abad, Cherigo, and Sanjur told the Supreme Court on 25 August they were willing to resign after a district attorney commission created by Attorney General Jorge Ruben Valdes made public a report linking them to acts of corruption.

Meanwhile in Chiriqui Province, tens of PTJ agents were dismissed for being responsible for several anomalies within the institution. A government source has told LA PRENSA those anomalies have ranged from the taking of bribes and the abuse of authority to the distortion of files. "We cannot have people engaging in those actions in the department, and that reason is why we have dismissed them," the source has stated.

New PTJ Director Appointed

PA0909221894 Panama City ACAN in Spanish 1205 GMT 9 Sep 94

[Text] Panama City, 9 Sep (ACAN-EFE)—The Panamanian Supreme Court (CSJ) announced on 8 September the appointment of lawyer Gabriel Castro as new director of the Judicial Technical Police (PTJ), replacing lawyer Jaime Abad, who resigned his post to continue his studies.

The PTJ, one of the main police investigation entities in the country, was probed by a team of eight prosecutors from the Attorney General's Office in connection with alleged corruption involving several detectives and administrative personnel.

At a news conference, CSJ President Arturo Hoyos said that Castro, in addition to meeting all the legal requirements "is willing to assume all the responsibililties the position entails under the circumstances the PTJ is currently facing."

Hoyos also stressed Castro's "impeccable" professional qualities as a lawyer, his "firm determination" to keep the PTJ away from politics, and his desire to work in harmony with the other national security agencies.

Hoyos said that he proposed Castro's candidacy as PTJ director to the CSJ, and that his appointment was made without any pressure.

With regard to the prosecutors' report on corruption charges against the PTJ, which the CSJ magistrates are currently reviewing, Hoyos said that Abad "did not commit any dishonest action while heading that institution. He is leaving voluntarily; no one in the CSJ recommended or requested his resignation."

The PTJ was created through decree in 1990, following the U.S. invasion in December 1989. The institution replaced the National Department of Investigations (DENI) of the former Defense Forces. It is under the jurisdiction of the CSJ and the Attorney General's Office and its mission is to stop crime, as well as criminals and their accomplices.

Argentina

Five Lebanese, Allegedly Involved in AMIA Attack, Detained

PY1409025594 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2256 GMT 13 Sep 94

[Text] Buenos Aires, 13 Sep (NA)—It was officially reported today that five Lebanese citizens allegedly involved in the bombing perpetrated against the AMIA [Argentine-Israeli Mutual Association] headquarters in Buenos Aires have been detained by National Border Police personnel in Misiones Province and will be transported to Buenos Aires within the next few hours to be interrogated by Federal Judge Juan Jose Galeano.

Even though it was reported this morning that the detainees would be taken any minute to Buenos Aires, high-ranking sources of the National Border Police station in the city of El Dorado indicated to NOTICIAS ARGENTINAS that by the evening of 12 September, no orders had been received to transport the detainees to Buenos Aires.

In this regard, the sources pointed out that the detainees might be taken to Buenos Aires tomorrow, possibly aboard a National Border Police airplane.

In remarks to Radio Continental and Radio 990, El Dorado Federal Judge Mario Hachiro Doi said that the five suspects were arrested at about 1900 on 10 September at the Puerto Iguazu airport.

A 16-year-old youth of Lebanese ancestry was also arrested with the five suspects. Given his age, the youth is not under detention, but has been placed at the disposal of a judge of minors [juez de menores] and his identity was not disclosed.

The judge noted that two of the detainees were born in Beirut, the capital of Lebanon; two are Lebanese who became Brazilian citizens; and one lives in Ciudad del Este, Paraguay.

The judge added that all of them came from the Brazilian city of Sao Paulo and refused to supply their identities.

Nevertheless, the names of four of them were unofficially leaked. They were identified as Ali Hussein Audi, 45, who allegedly belongs to the Lebanese secret service and allegedly is wanted internationally for his alleged involvement in terrorist actions; Tarek Samil Yomma; Jama Jamil; and Jassam Dyoyb.

At the time of their detention, the Lebanese citizens carried $22,000 and airline tickets from Air France, TAP [Air Portugal] (Portuguese) and Argentine Airlines. The police also seized a notebook with telephone numbers from people living in various Latin American countries.

The detainees might be involved in terrorist activities, particularly in Europe, and might be linked to the bombing carried out on 18 July against the AMIA headquarters, a bombing that killed 95 people and injured more than 250.

Reports to the effect that the detained Lebanese citizens had allegedly planned to carry out another terrorist attack against another building owned by the Jewish community in Argentina also circulated.

Judge Hachiro Doi pointed out that the detainees would be taken to Buenos Aires within the next few hours, after he receives a rogatory letter from Judge Galeano who is conducting the investigation into the bombing of the AMIA headquarters.

The Lebanese citizens are being held in detention, under tight security measures, in separate cells at the 10th National Border Police squadron in the city of El Dorado.

Commander Osvaldo Hector Rodriguez, the squadron's second in command, refused to supply any details on the number of men guarding the detainees. Nevertheless, he pointed out that the situation prevailing in El Dorado "is normal."

Afterward, Rodriguez said the operation was carried out by special National Border Police personnel. "After the bombing," the National Border Police "have been covering the entire border area, pursuing clues and people in order to cooperate in resolving the bombing endured by our country," Rodriguez said.

Rodriguez explained that the border in that area "is very fluid in the sense that it might be crossed anywhere."

Paraguayan police warned 10 days ago about clues with regard to the presence of suspects in the border area involving Paraguay, Argentina, and Brazil. Nevertheless, the Paraguayan police indicated that these people were of Syrian ancestry.

On that occasion, it was made clear that these people, who allegedly were bound for Buenos Aires with an alleged interest in carrying out an attack similar to the one perpetrated against the AMIA, were not discovered.

Visiting Ecuadoran President Discusses Haiti, Other Issues

PY1409042494 Buenos Aires LA NACION in Spanish 13 Sep 94 p 4

[Interview with Ecuadoran President Sixto Duran Ballen by Ovidio Bellando; place and date not given]

[Text] The president of Ecuador, Sixto Duran Ballen, is visiting Argentina ("this nation is demonstrating that it is implementing regional integration," he said) strengthened by the 28 August plebiscite in his country that approved many of his goals.

Even though he did not dodge any questions during a chat with LA NACION, the Ecuadoran president was extremely careful in responding to them.

[Bellando] Was (the plebiscite) a political success of yours?

[Bellando] (Comments prior to another question) I believe, Duran Ballen modestly says, the people had been raising these problems long ago, problems like the distribution of budget appropriations that was in the hands of Congress, and now, after an overwhelming plebiscite, will find a solution.

Duran Ballen explains that there was vast corruption and that the central government that supplied the appropriations had been enduring constant blackmail through a distribution of appropriations usually carried out by Congress, but not established by the Constitution or the laws. Now this issue and other issues included in the plebiscite—allowing the election of independent candidates—will be included in a constitutional reform sponsored by the government, Duran Ballen adds.

[Bellando] Do you also want to be reelected?

[Duran Ballen] (Somewhat surprised, but smiling) I have asked for the inclusion of a temporary provision whereby those of us who are in power will not be allowed to be reelected for a successive term.

[Bellando] (Comments prior to another question) In Duran Ballen's opinion, the relations with Argentina are very good "and will be even better." With the assistance of his foreign minister, Diego Paredes, Duran Ballen explains that he was a diplomat in Buenos Aires, that trade with Argentina totals about $200 million, and that his country wants to enhance the road building task carried out by Argentina in Ecuador. "This benefits Ecuadoreans and, obviously, Argentina through the companies carrying out this task," he said.

After important Brazilian newspapers emphasized in their 12 September issues the existence of political and diplomatic contention between Brasilia and Buenos Aires because Argentina had blocked a Brazilian effort to democratize the United Nations Security Council, recommending the abolishment of the right of veto of the great powers, Duran Ballen was asked if he believes this contention actually existed.

Duran Ballen firmly responded: "They talked very frankly, as those who share the same viewpoints can afford to talk."

[Bellando] But Brazil and Argentina did not agree on many issues....

[Duran Ballen, interrupting] For the first time, all of us agreed on a clear stance on the democratization of Cuba, an issue on which the Rio Group had thus far issued vague declarations.

[Bellando] Did Menem propose that the Rio Group countries receive Cubans who, given the situation of their country, want to improve their standard of living?

[Duran Ballen] I don't remember ... I believe (the new Panamenian president) Balladares was the one who said something on this possibility, but without elaborating.

[Bellando] Will Ecuador participate in any intervention in Haiti?

[Duran Ballen] Yes, but not with troops. It will go when President Jean-Bertrand Aristide takes over. And if he does not take over after the military step down, we will not participate, because the same situation would prevail.

[Bellando] What do you expect from your visit to Argentina?

[Duran Ballen] To further enhance relations between our countries.

Obstacles for Privatizing Nuclear Plants Viewed

PY1309223094 Buenos Aires CLARIN in Spanish 10 Sep 94 pp 22, 23

[Article by Eleonora Gosman]

[Text] [Energy Secretary] Carlos Bastos wants to put the nuclear plants up for sale at the very latest in December (within 80 days is being talked about) but his project has to overcome one obstacle: Congress. He confirmed on 9 September that the government, which owns the plants, "does not have the power to do so." Congress must first declare that Nucleoelectric [Empresa Nucleoelectrica], the new owner of the three plants, is "subject to privatization."

Bastos said the executive branch will ask the congressmen to give the matter preferential handling. This is the only sure thing so far. The rest is a mystery: It is not known how the privatization will be handled, who will draft the bid documents, or who will fix the price of the plants. On this point, there is an unofficial version: It is estimated that the government could get $600 million for the package (including Atucha I, Embalse, Atucha II, and the Rio Grande pumping central).

Bastos does not overlook the fact that Argentina needs to develop nuclear electricity. "We cannot be tied to oil," he said on 9 September to a small group of journalists. He plans to put Atucha II into operation. This plant will begin to produce electricity in 1997 if everything goes well.

[Question] Where will the money come from to finish Atucha II?

[Bastos] From the private sector. Some $700 million is needed.

The people from Siemens have another figure. In April they stated that $600 million is needed to conclude the project. When concluded, Atucha II will be the most expensive atomic plant in the world (it will have cost some $4 billion, although it will be sold for a lot less).

[Question] Who will assume the liabilities and servicing of the debt contracted by the National Atomic Energy Commission [CNEA]?

[Bastos] The state.

[Question] Then what is the investment risk of this deal?

[Bastos] The risk lies in two matters: First, private enterprises purchase plants that they must keep functioning. Second, there is the price of the energy. They may be unable to obtain the profit they expect, as happened with some thermal plants.

[Question] What happens if Nucleoelectric is not privatized?

[Bastos] It will have to obtain financing in order to function because the Treasury will not relinquish one cent.

[Question] How much money will the plants accrue from the sale of electricity?

[Bastos] When Atucha II becomes operational the plants will generate 12,000 gigawatts a year. This means a yearly income of $360 million. No one producer has the installed potential of Nucleoelectric.

Bastos stated that they want to use another system of privatization with these three plants. "The CNEA has operated the plants very efficiently and we do not want to change the operators. This means conditions will be established in the bid documentation."

The deactivation of nuclear plants is a delicate matter. The problem lies in the dismantling of the plants (which have a high degree of radioactive material) once their useful life is over. This requires a lot of money.

[Question] Who will be in charge of that package?

[Bastos] The state's responsibility is total.

[Question] Then, that cost will be paid by the state?

[Bastos] Well no, Nucleoelectric will have to create a fund to carry out this work.

The resources for financing research and dismantling plants must come from what Nucleoelectric accrues. Technicians say that under those conditions no one in the private sector will dare purchase the packet unless they are guaranteed a high price for the energy, unless the state is responsible for maintaining the present activities of Nucleoelectric.

Heavy Water Being Produced at Industrial Scale

PY1309223294 Buenos Aires CLARIN in Spanish 11 Sep 94 p 25

[Text] Neuquen—Argentina has achieved further success in mastering nuclear technology: It has been producing heavy water at an industrial scale as of 1630 on 9 September. Heavy water is a key element for the operation of domestic nuclear power plants (which are fueled with natural uranium). Argentina is the first Latin American country to produce heavy water.

The first drops of heavy water (which contains two atoms of deuterium, an element similar to hydrogen but heavier, and one atom of oxygen) were produced at the Industrial Plant of Arroyito, on the Limay River (50 km from Neuquen). The National Commission for Atomic Energy [CNEA] began and completed the facilities.

Thus far, heavy water had to be imported. Not many countries in the world produce it (and they are all members of the elite nuclear club). Its production here guarantees our independence in the production of nuclear electrical power.

The plant is operated by the Neuquen Engineering Services Company (ENSI), which is owned by CNEA and Neuquen Province.

ENSI General Manager Hector Apesteguia told CLARIN that President Carlos Menem and the International Atomic Energy Agency (IAEA) were the first to be informed of this achievement.

The heavy water produced there will replace the heavy water produced by the Embalse power plant which is being operated by Canada; supply enough for the Atucha-2 power plant; and provide a surplus to replenish possible leaks at the nuclear power plants [sentence as published]. The PIAP [Heavy Water Industrial Plant] already has two potential foreign buyers: South Korea and Romania have expressed interest in importing this element from Argentina.

It took more than 10 years to build the Arroyito plant. The Swiss Sulzer company was contracted under a $300 million turnkey project but there were delays over financial problems and the original contract was rescinded. CNEA engaged in completing the project, but at a final cost of more than $1 billion.

CNEA Financial Situation Described

PY1309151694 Buenos Aires CLARIN in Spanish 10 Sep 94 p 23

[Text] The National Commission for Atomic Energy (CNEA) will have to survive on 10 million pesos until December. The CNEA budget for 1995 barely totals 30 million pesos for the entire year.

This is not even enough to cover one CNEA activity: research and development. It requires 50 million pesos per year to pursue scientific work.

The Energy Secretariat people are unaware of the importance of CNEA activities on medical treatment. The Cobalt 60 used on cancer patients is produced at the Embalse power plant. Scientists say: "No one knows now who will be responsible for supplying this element or for paying for it after the plant is transferred to the private area."

The state will no longer finance the nuclear area. The funds will be supplied by the Nucleoelectric Company [Empresa Nucleoelectrica] (the new corporation). Nevertheless, these funds will not even be enough to pay the salaries of researchers and experts: 31.4 million pesos.

Worse still, the 30 million pesos must be shared among various areas. The CNEA has three nuclear centers: the one in Bariloche, the one in Ezeiza, and the one in Constituyentes. Each center has a research reactor. The one in Ezeiza produces radioisotopes (for health, rural, and industrial purposes). They all require additional funds for their maintenance and operation.

In addition, there is the production of nuclear fuel (which will remain within CNEA jurisdiction); the plant in Cordoba (where uranium ore is processed); the INVAP [Applied Research Institute] company that is developing the Carem [expansion unknown] project (using CNEA funds) and a satellite for the National Space Activities Commission. Groups of researchers are in Mendoza working on issues linked to nuclear plants fuel and medical diagnoses using radioisotopes. In Neuquen, the heavy water production plant (PIAP) [Heavy Water Industrial Plant] produces the element used as a moderator and coolant in nuclear power plants.

Hilda Lanza of the CNEA Association of Professionals desperately noted yesterday: "If this 30 million pesos has to be spread so thin, something will have to disappear. Without Treasury funds, research will die."

CLARIN told Lanza: "Energy Secretary Carlos Bastos has guaranteed that the CNEA will have other funds from the sale of nuclear fuel to the brand new Nucleoelectric Company, Inc. and the sale of services to industry."

Lanza said: "Considering the situation in Argentine industry, very few people consult us. Not many hopes should be placed on the sale of services. Concerning nuclear fuel, once privatized, Nucleoelectric Company, Inc. will be able to purchase fuel abroad, so resources from this area are also very insecure."

Bolivia

Government Will Not Send Troops for Invasion of Haiti

PY1409024594 La Paz Television Nacional Network in Spanish 0100 GMT 14 Sep 94

[Text] Regarding a report released in Washington this morning that Bolivia would provide military support for the invasion of Haiti, we received a communique from the Foreign Ministry indicating that the government will not send troops to support the invasion of Haiti. It will send a police unit after the government of Aristide has been restored in order to help reestablish order.

Sanchez Says Coca Accord Necessary for Dialogue With U.S.

PY1309224994 La Paz PRESENCIA in Spanish 6 Sep 94 p 1

[Text] Santa Cruz—President Gonzalo Sanchez de Lozada stated that "in order to be able to talk with the U.S. Government, the Bolivian people first need to reach an agreement on a national strategy to solve the great problem that the struggle against drug trafficking poses." He even hinted at the possibility of modifying some aspects of the polemic Law 1008.

Sanchez de Lozada admitted that many mistakes on this issue were made in the past, but he also said that many feasible proposals did not materialize because of the permanent resistance of some sectors involved in the subject, among them the coca producers.

As an example, he mentioned the proposal for a voluntary eradication of coca plantations, which was rejected by the coca producers, as well as the refusal to admit that the great part of the coca leaf produced in Chapare is undoubtedly used for drug trafficking, a fact that not only affects the country, "since producing drugs is a very bad thing," but also international agreements.

The president admitted that the government made a mistake with its alternative development proposal launched during Victor Paz Estenssoro's administration because now it is obvious that program "is a great disaster and, precisely because of that, we have submitted it for consideration to the Social Defense Secretariat."

What is quite clear now, he insisted, is that a positive and beneficial solution to this problem will not be found without dialogue, agreements, consensus, and the effective participation of all those involved in the issue.

The president asserted that his government is not subject to the U.S. Government, as seems to have been the case with the previous government, "either out of weakness or because it felt vulnerable in the face of the U.S. Government decisions."

Sanchez de Lozada said his government does not fear making changes, reviewing its policies, or relaunching a drug enforcement program or a program to control coca leaf production, or even to modify Law 1008.

Government 'Repression' Prompts COB To End Dialogue

PY1309123194 La Paz Television Nacional Network in Spanish 0100 GMT 13 Sep 94

[Text] Today at 0630, after the police dispersed demonstrators at the Perez Velazco Square, the Bolivian Labor Federation [COB] leadership decided to end the dialogue with the government.

The people who had been summoned by the neighborhood boards resisted as much as possible but finally withdrew to the COB headquarters where COB leader Oscar Salas regretted the repression ordered by the Government Ministry today. He said:

[Begin recording] The demonstrators were attacked with dogs. The people were beaten indiscriminately. Tear gas bombs were thrown inside the houses in Pampahachi and Villa San Antonio neighborhoods. In other words, a generalized repression against everyone was unleashed. [end recording]

The COB will not attend any other meeting with the government because, according to Salas, the executive branch has replaced dialogue with a stick. He said:

[Begin recording] We hold the government responsible for the end of the dialogue with the COB. [end recording]

Salas challenged President Gonzalo Sanchez de Lozada to show he is capable of solving problems and asked him to hold the national debate on coca and trafficking in a climate of freedom. He said:

[Begin recording] The president of the Republic must realize that a debate under generalized repression is not a debate within an atmosphere of freedom. [end recording]

Oscar Salas ended by announcing that the peasants will continue to march on La Paz and that the COB executive Board will order other measures of force.

Labor Minister Reynaldo Peters said he has not been informed about the end of the dialogue.

A meeting between the government and the COB was scheduled for today. The labor minister waited at 1830, as arranged, for the leaders but they did not appear.

The minister said he had not been officially informed of the COB decision to end the dialogue. He said:

[Begin recording] The government has not been officially informed of the decision allegedly taken by the COB this afternoon to break or suspend the dialogue. I was in Cochabamba today with leaders Oscar Salas and Evo Morales and was very surprised after arriving in La Paz this afternoon to hear that the COB had decided to suspend the dialogue. [end recording]

The labor minister said he still hopes to resume the dialogue.

Coca leader Evo Morales said the march of the Chapare coca growers will continue to La Paz. He said:

[Begin recording] The march for the respect for life, coca, and national sovereignty is regaining strength. Yesterday 1,000 to 1,500 peasants arrived in (Intisiri) with a highly combative spirit and a firm determination to continue marching to reach La Paz. Some colleagues are having health problems. [end recording]

The coca leader said that in view of the current situation a march will be staged in support of the coca growers in Yungas, Cochabamba. An emergency meeting will be held tonight to decide what other measures will be adopted.

Government Proposes Truce With Peasants To Solve Conflict

PY1309222294 Madrid EFE in Spanish 1845 GMT 13 Sep 94

[Text] La Paz, 13 Sep (EFE)—A strained atmosphere prevailed in La Paz today, following the violent clashes yesterday between police and groups of peasants and teachers which resulted in at least 10 wounded and 60 arrested.

During a television debate that ended at dawn today, Minister German Quiroga proposed to coca grower leader Evo Morales a 48-hour truce to seek a solution to the conflict. Although no agreement was reached, the coca leaf producers have not taken to the street, the police remained in barracks, and most of the 60 people arrested yesterday have been released.

The peasants demand a solution to cushion the effects of the government decision to eradicate coca leaf plantations, the withdrawal of police from Chapare, and a review of the drug enforcement law.

The violent clashes registered in several parts of La Paz city resulted in at least 10 people wounded as a result of tear gas bombs used by the police and stones thrown by the demonstrators.

According to a medical bulletin issued by a police hospital, of the approximately 10 people wounded yesterday, four are police agents who were stoned. One of them has a broken nose.

The tear gas bombs used by the police affected children and pregnant women, especially when the agents entered the Coca Producers Association, in Villa Fatima de la Paz neighborhood, where two women were wounded by plastic bullets, according to the peasants report.

Although peasant leaders asserted that their colleague Abraham Condori, 23, died after falling from a 20 meter cliff, the police hospital disclosed that he is alive and recovering.

The Bolivian Labor Federation (COB) has summoned an emergency meeting of the labor union leaders to assess the development of the conflict and decide what other measures of force to implement to achieve their objectives.

Last night the COB broke off the dialogue with the government to protest the harsh repression against the demonstrators after entering La Paz, through the city slopes, and attempting to reach the downtown area. The police, with the support of the Army, thwarted the demonstrators' objective.

Peasant leader Felix Santos warned that the demonstrators would block the roads and start a hunger strike if the government once again tries to stop the march toward the city.

According to the labor unions, some 3,000 peasants are less than 200 km from La Paz, where they expect to arrive on Wednesday, 14 September, or Thursday, 15 September.

In the meantime, demonstrations and blockades to protest the government attitude and to voice support for the peasants affected by the police repression were staged in all other Bolivian cities.

The Bolivian court has released four teachers arrested when they started a hunger strike, because the charges pressed against them are not considered crimes.

Today the teachers resumed their hunger strike and urged their colleagues to step up their protest with a strike on Thursday, 15 September, and Friday, 16 September.

The Confederation of Private Businessmen expressed regret that certain government officials acted "immaturely" and warned that "with violence and stubborness there will be no solution to the country's social problems."

While the interior minister is awaiting an answer to his proposal for a truce, the government continues to make the arrangements for the "great debate" on the coca leaf proposed by President Gonzalo Sanchez de Lozada, with the purpose of reaching a consensus policy on the issue with the producers of coca leaf, the raw material for cocaine.

Brazil

Joint Communique Issued With Bolivia on Situation in Haiti

PY1409040694 Madrid EFE in Spanish 2147 GMT 13 Sep 94

[Text] Brasilia, 13 Sep (EFE)—Today in Brasilia, Brazilian Foreign Minister Celso Amorim and his Bolivian counterpart Antonio Aranibar expressed their hope that an imminent invasion of Haiti by the United States and other countries could be avoided.

The foreign ministers noted the "coinciding viewpoints" of their respective countries regarding the political situation in Cuba and Haiti in a joint communique issued at the end of the official two-day visit to Brasilia by Minister Aranibar.

The communique states that the similar Bolivian and Brazilian viewpoints on these subjects are stated in the declarations on Haiti and Cuba approved last weekend during the eighth Rio Group Summit, the main Latin American political coordination forum, in Rio de Janeiro.

The summit upheld the lifting of the U.S. embargo on Cuba and the transition of the Caribbean island toward a pluralist democratic system and indirectly rejected the invasion of Haiti by proposing a peaceful solution to the crisis and the removal from power of the coupist military personnel.

Foreign Minister Aranibar told EFE that the Bolivian Government does not intend to send troops for an eventual military invasion of Haiti, headed by the United States, due to its desire for a peaceful solution, as it stated before the OAS and the Rio Group.

Aranibar is the president of the OAS meeting on Haiti.

"We aspire for a political solution that will give us more space in what appears to be an imminent intervention," the Bolivian foreign minister said.

The Brazilian foreign minister indicated that his country hopes that an invasion of Haiti can be avoided, and that those who now hold power in the Caribbean nation will become aware that they have to withdraw and give way to the return of the constitutional president, Jean Bertrand Aristide.

Amorim stated that Brazil's position has not altered since July 1994, when it opted to abstain during a UN Security Council vote that left the door open for an intervention in Haiti to overthrow the coupists.

Government Sends Rio Group Resolution to Haiti's Cedras

PY1409030894 Madrid EFE in Spanish 2218 GMT 13 Sep 94

[Text] Brasilia, 13 Sep (EFE)—A Brazilian Foreign Ministry spokesman told EFE that the Brazilian Government today sent to Haitian strongman Raoul Cedras the resolution approved by the Rio Group heads of state condemning his "stubbornness" in remaining in power and asking him to step down.

The resolution was adopted last weekend in Rio de Janeiro by 13 presidents of the Rio Group, which is the main Latin American political consultation forum. The document was delivered to Cedras by a diplomat in the Catholic nunciature in Port-au-Prince.

Brazil, the country that organized the Rio Group summit this year, asked the Vatican to deliver the resolution to the Haitian strongman.

In their resolution, the Latin American heads of state and government condemned Cedras and the rest of the Haitian de facto authorities on account of their "stubbornness and persistent attitude" of illegally remaining in power, which they attained in 1991 by overthrowing Jean Bertrand Aristide, who today lives in exile in the United States.

A copy of the resolution, which advocates a peaceful solution to the Haitian crisis, will also be delivered to Aristide by the Brazilian representation at the OAS in Washington.

The presidents demanded that Cedras and his colleagues "immediately restore the legitimate governors who were democratically elected, in keeping with the will of the international community, expressed on several occasions."

"The Rio Group heads of state and government are convinced that the acceptance of this appeal will prevent more serious situations and it will allow, with the effort and determination of the countries of the American continent, cooperation in the restoration of the democratic institutions of the sister country of Haiti," states the end of the resolution.

Real Plan Creator Discusses Economic Issues

PY1209171094 Sao Paulo GAZETA MERCANTIL in Portuguese 2 Sep 94 pp 1, 3

[Article by Celso Pinto from Sao Paulo]

[Text] The main problem with regard to the Real Plan does not stem from its alleged medium term fiscal inconsistency, as some economists have stated, but from a more complex dominant question: The country must be prevented from leaving the "inflationary Belindia" to enter the "stagnated Banglabania."

At any rate, this is the interpretation that has been given by one of the original authors of the Real Plan, Edmar Bacha, an adviser to the Finance Ministry. Creator of the expression Belindia to demonstrate a Brazil that is half a Belgium and half an India, he agrees that there is a long-term threat of falling into Banglabania, an expression coined by former Minister Mario Simonsen that mixes the poverty of Bangladesh with the failure of the state in Albania. Between Belindia and Banglabania there is presumably a period of high inflation, but with growth, to a period of low inflation, but with stagnation.

But, there is a direct conclusion behind these perceptions. Bacha presupposes that the war against inflation has been basically won, as it is anchored to a flexible exchange rate, a rigid monetary policy, controlled public prices, and monetary goals that he admits help more psychologically than fundamentally. The inertial "financial inflation" has disappeared and he believes that it can be kept low without major fiscal adjustments. It is sufficient to control the cash flow of fiscal expenditure and to contain the threats of re-indexation through a tight monetary policy.

The problem resides in the fact that this package of measures is capable of guaranteeing low inflation, but is not sufficient for a sustained take-off in the area of development that would allow for a social reform and other major medium-term objectives. According to Bacha, the so-called "structural reforms" are necessary in order to guarantee a continuous low inflation.

It is Bacha's opinion that tax reform will not be at the top of the list within the logical sequence of these reforms. On the contrary, the meaning of a tax reform, he opines, would basically be that of simplifying the tax structure, rationalizing the system, and alleviating the burden in certain sectors. Therefore, its net effect would be that of reducing, not increasing, the state's resources.

It is for this reason that he is convinced the first step—in other words, the first reform—must be in the form of an extensive privatization, which is the only way of obtaining resources to sustain the other reforms. To use these resources in a temporary form for current expenditures would be justified if the other reforms produced a medium-term stable balance in the state's accounts.

For this to happen, it would be necessary to implement two other delicate reforms: Those pertaining to social security and public employees. These two cases can also be considered as "draining" reforms.

In the case of a social security reform, it would be necessary to create a fund that would serve to tide over a period of time during which the transfer to a system that would be supported mostly by the private sector would be made. FIPE [Economic Research Institute Foundation] estimates that 100 billion reals would be needed for the reform, and the Social Security Ministry has estimated that the cost will amount to 1 trillion reals. Today, the difference between the two figures is one to three and not one to 10, but even so, the figures continue to be colossal.

According to Bacha, the reform of the public employee sector would mean a trimmed and better trained sector with improved salaries, and this costs money. As Bacha himself says, the most optimistic estimate of the privatization formulas would amount to some 50 billion reals, and it is clear that obtaining the resources is not a trivial matter, even if a constitutional reform would allow the sale of state enterprises that cannot be sold today, such as Petrobras [Brazilian Petroleum Corporation] and Telebras [Brazilian Telecommunications Inc.].

To his list Bacha adds a reform of labor relations, a reform that would loosen the ropes that exist today in the form of union uniqueness, union tax, and the normative power of the labor courts. Bacha indicates that the cartels from some labor and business sectors are conceived from a combination of these factors. These cartels end up perpetuating indexed readjustment systems that are not compatible with medium-term stability, and they always end up being sanctioned by the courts.

In this respect, Bacha recalls that the indexation of salaries that is guaranteed by the IPC-r [Consumer Price Index-real] will have a very short life, and that he had negotiated it with congress in exchange for the approval of the provisional measure that created the real. The automatic readjustment will take place only once, in other words, with the first post-real yearly readjustment. The free negotiation of salaries will be legally valid after this readjustment. Therefore, Bacha insists, the argument of some economists is not correct in that salaries will continue to be indexed and this could lead to a reindexation of the whole system.

All the reforms proposed by Bacha naturally presuppose enormous political support because they imply treading upon strong and consolidated interests. In his words, it would mean a "reinvention of Brazil" that would allow growth and attack social reforms.

The problems do not stop there when everything is taken into account. Another main problem, which also harms very strong interests, was recalled by Gustavo Franco, director for the Bank of Brazil's external policy. Brazil became accustomed to an adequate exchange policy during the 1980's period of scarcity and external crisis. The situation changed as of 1989. From the viewpoint of the financial flow, and taking into account the current level of reserves—$40 billion—the current situation developed from virtually zero over the past few years. It is not a lot of money when Brazil's potential is taken into consideration, and it can be considered that it is only a fraction of what could flow in the future. But it does not make any sense to once again have the genuine exchange rate of the 1980's because it is not compatible with today's excessive trade surplus. On the contrary, a positive flow of foreign investment would be desirable for Brazil, and ideally this would be made possible through an increase in imports and the logical reduction of the trade surplus.

According to Bacha, it would be a period of time in which Brazil could achieve an economy that would be "legitimately integrated" through competitive harmonization with the international economic sector. This would not mean an end to exports: South Korea, for example, has increased its opening abroad with an increase in its exports. But it will unavoidably have to seek less competitive sectors.

A type of political alliance is needed for these types of changes, and only a new government could do it. But even so, it is a long and complex task.

Roundup of Electoral Reports

PY1209214294

[Editorial Report] The following is a compilation of reports on electoral activities in Brazil leading up to the 3 October general elections, as monitored through 10 September:

Fernando Henrique Cardoso, presidential candidate for the Brazilian Social Democracy Party, PSDB, has gained the support of Parana Governor Mario Pereira, from the Brazilian Democratic Movement Party, PMDB. Until not long ago, Pereira was supporting Workers Party, PT, candidate Luis Inacio Lula da Silva. Pereira said that "for the benefit of the country we must currently support the Real Plan, and the Real Plan cannot be supported if not by supporting Fernando Henrique." (Sao Paulo AGENCIA ESTADO in Portuguese 0156 GMT 7 Sep 94)

According to a poll carried out by the Brazilian Public Opinion and Statistics Institute, IBOPE, between 22 and 29 August, the best placed gubernatorial candidates in the State of Amazonas are Amazonino Mendes, from the Progressive Renewal Party, PPR, who is preferred by 65 percent of the voters; Nonato Oliveira, from the Liberal Party, PL, with 18 percent; and Aloysio Nogueira, from the PT, with 3 percent. In the State of Paraiba, the poll shows that Lucia Braga, from the Democratic Labor Party, PDT, has 45 percent of the votes; Antonio Mariz, from the PMDB, has 31 percent; and Avenzoar Arruda, from the PT, and Chico de Freitas, from the PPR, have 2 percent each. In the State of Santa Catarina the poll shows that Angela Amin, from the PPR, has 38 percent of the votes; Paulo Afonso Vieira, from the PMDB, has 17 percent; Nelson Wedekin, from the PDT, has 8 percent; and Jorge Bornhausen, from the Liberal Front Party, PFL, has 7 percent. In the State of Piaui, the poll shows that Atila Maia, from the PFL, has 41 percent of the votes; Francisco Morais Souza, from the PMDB, has 26 percent; Nazareno Fontelis, from the PT, has 10 percent; and Marciano de Paulo, from the National Reconstruction Party, PRN, has 1 percent. In the State of Sergipe the poll shows that Albano Franco, from the PSDB, has 44 percent of the votes; Jackson Barreto, from the PDT, has 28 percent; and Jose Araujo, from the PT, and Vera Tourinho, from the PRN, both have 1 percent. In the State of Mato Grosso the poll shows that Dante de Oliveira, from the PDT, has 52 percent of the votes; Osvaldo Sobrinho, from the Brazilian Labor Party, PTB, has 18 percent; and Ivanildo Oliveira, from the Democratic Social Party, PSD, has 1 percent. (Rio de Janeiro O GLOBO in Portuguese 4 Sep 94 p 8)

The Brazilian Public Opinion and Statistics Institute, IBOPE, conducted a survey among 4,400 voters from 29 August to 5 September on the gubernatorial races in the states of Ceara, Bahia, and the Federal District of Brasilia. If the elections were held today in Ceara State, PSDB candidate Tasso Jereissati would be elected governor with 61 percent of the votes; PMDB candidate Juraci Magalhaes would be second with 27 percent; PT candidate Joaquim Cartaxo and Rosa da Fonseca of the Unified Socialist Workers Party, PSTU, would tie in third place with 1 percent; while blank and voided ballots and undecided voters would total 10 percent. In Bahia State, PFL candidate Paulo Souto would be in first place with 31 percent; National Mobilization Party candidate Joao Durval Carneiro would be second with 18 percent; PSDB candidate Jutahy Magalhaes would be third with 11 percent; PMDB candidate Nilo Coelho would be fourth with 8 percent; PRN candidate Alvaro Martins would have 1 percent; and blank and voided ballots and undecided voters would total 31 percent. In the Federal District of Brasilia, Brazilian Labor Party candidate Valmir Campelo would be first with 39 percent; PSDB candidate Maria Abadia would be second with 19 percent; PT candidate Cristovao Buarque would be third with 15 percent; Alves de Araujo of the Party for the Redefinition of the National Order (Prona) and Joao

Ferreira da Silva of the Social Christian Party, PSC, would tie in the fourth place with 1 percent; and blank and voided ballots and undecided voters would total 25 percent. (Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 7 Sep 94)

A survey conducted by IBOPE in three states among 4,800 voters from 29 August to 5 September yielded the following results: If the elections were held today in Pernambuco State, Brazilian Socialist Party candidate Miguel Arraes would be elected governor with 56 percent of the votes; PFL candidate Gustavo Krause would be second with 18 percent; PMDB candidate Cid Sampaio would be third with 5 percent; PSTU candidate Joaquim Magalhaes and PRN candidate Fernando Pinto would tie in fourth place with 1 percent; and blank and voided ballots and undecided voters would total 19 percent. If the elections were held today in Maranhao, PFL candidate Roseana Sarney would be first with 50 percent; PPR candidate Epitacio Cafeteira would be second with 28 percent; PDT candidate Jackson Lago would be third with 9 percent; and blank and voided ballots and undecided voters would total 13 percent. If the elections were held today in Rio de Janeiro, PSDB candidate Marcello Alencar would be first with 28 percent; PDT candidate Anthony Garotinho would be second with 25 percent; PSC candidate General Newton Cruz would be third with 8 percent; PT candidate Jorge Bittar would be fourth with 7 percent; PMDB candidate Milton Goncalves would be fifth with 4 percent; and blank and voided ballots and undecided voters would total 28 percent. (Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 8 Sep 94)

IBOPE conducted a survey among 6,800 voters of four states from 30 August to 7 September. If the elections were held today in Minas Gerais, Popular Party, PP, candidate Helio Costa would be in first place with 45 percent of the votes; PSDB candidate would be second with 13 percent; PMDB candidate Jose de Alencar would be third; PT candidate Antonio Carlos Pereira would be fourth with 5 percent; and Democratic Social Party candidate Ezio Cuaresma and Prona candidate Cleuber Dauseco would tie in fifth place with 1 percent. Blank, voided ballots, and undecided voters would total 27 percent. If the elections were held today in Mato Grosso do Sul, PMDB candidate Wilson Martins would be in first place with 43 percent; PPR candidate Levy Dias would be second with 26 percent; PT candidate Pedro Teruel would be third with 9 percent; and Prona candidate Rita de Casia Lima would be fourth with 2 percent. Blank and voided ballots and undecided voters would total 20 percent. If the elections were held today in Parana State, PDT candidate Jaime Lerner would be in first place with 47 percent; PP candidate Alvaro Dias would be second with 31 percent; and PT candidate Jorge Miguel Samek would be third with 2 percent. Blank and voided ballots and undecided voters would total 20 percent. If the elections were held today in Sao Paulo, PSDB candidate Mario Covas would be in first place with 44 percent; PDT candidate Francisco Rossi would be second with 9 percent; PMDB candidate Barros Munhoz would be third with 8 percent; PT candidate Jose Dirceu would be fourth with 7 percent; and PP candidate Luiz Antonio Medeiros would be fifth with 3 percent. Blank and voided ballots and undecided voters would total 29 percent. (Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 9 Sep 94)

IBOPE conducted a survey on the electoral race in Santa Catarina State, interviewing 1,100 voters from 30 August to 5 September. If the elections were held today, PPR candidate Angela Amin would be in first place with 35 percent of the votes; PMDB candidate Paulo Afonso Vieira would be second with 18 percent; PFL candidate Jorge Bornhausen would be third with 10 percent; and PDT candidate Nelson Wedekin would be fourth with 8 percent. Blank and voided ballots and undecided voters would total 29 percent. (Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 10 Sep 94)

Chile

Defense Minister: No Troops for Haiti Invasion, Aftermath

PY1409025394 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0100 GMT 14 Sep 94

[Excerpts] Defense Minister Edmundo Perez has indicated that one must look to the future and not to the past when he commented on General Augusto Pinochet's 11 September statements.

[Begin recording] [Unidentified reporter] Invited by the Chilean-American Chamber of Commerce, Perez spoke about the defense policy, and he stated that the Armed Forces are working for the country's development. [passage omitted]

Regarding Haiti, Perez, who during the afternoon met with top Carabineros commanders, reiterated that Chile will not contribute with troops, either for the invasion or for public order operations after the invasion.

He did confirm that Chile will cooperate in the reorganization of the police.

In this respect, U.S. President Bill Clinton himself telephoned President Eduardo Frei last week to asked for Chile's cooperation in this area. [end recording]

Government Downplays U.S. Postponement of Free Trade Accord

PY1409024894 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0111 GMT 14 Sep 94

[Text] President Eduardo Frei, together with Finance Minister Eduardo Aninat and Foreign Minister Carlos Figueroa, this evening assessed the U.S. Government's decision to postpone the free trade agreement with Chile.

At the end of the meeting with President Frei, Ministers Eduardo Aninat and Carlos Figueroa refrained, for the time being, from commenting on the consequences the U.S. decision has for Chile. The foreign minister even minimized the importance of this decision:

[Begin Figueroa recording, identified by screen caption] The issue will be postponed, but this poses no difficulty for Chile. In the first place, Chile's relationship with the world is not based on the fast track treatment by the U.S. Congress. In the second place, our relationship with the United States has many more aspects—in the commercial, economic, investment, and cooperation areas—than the approval of fast track treatment by the U.S. Congress. In other words, it only represents a postponement of our aspirations, but let us not dramatize a subject that only has that implication. [end recording]

Foreign Minister Reports on Negotiations With Mercosur

PY1309224394 Madrid EFE in Spanish 1815 GMT 12 Sep 94

[Text] Santiago, 12 Sep (EFE)—Chilean Foreign Minister Carlos Figueroa confirmed today that negotiations toward a free trade agreement between Chile and the Mercosur [Common Market of the South]—which will facilitate trade relations and aspects related to investments, services, and technology—will conclude before the end of this year.

During a news conference, Figueroa commented on the agreements reached during the first meeting of Mercosur and Chilean experts at the Rio Group presidential summit on 5 August [as received].

Figueroa said the Chilean and Mercosur delegations reached agreement in Rio to establish a Chilean-Mercosur Commission to carry out the technical aspects of the negotiations.

Figueroa explained that the delegations agreed on general guidelines for a broad agreement of economic complementation within the framework of the Latin American Integration Association (ALADI).

He added: "Agreement was reached to take the tariff base as the basis for the negotiations—with appropriate exceptions—and use the mechanism of gradual and automatic tariff reductions. This will avoid a product-by-product negotiation."

Figueroa added that an agreement was reached on the need to preserve existing trade trends and to create the conditions for substantial growth.

Figueroa said Chile wants to preserve what is called "historic patrimony" which refers to negotiated tariff preferences within ALADI with Argentina, Brazil, Paraguay, and Uruguay which make up the Mercosur.

Trade between Chile and Mercosur is worth $2.85 billion. Within that bloc Argentina and Brazil are the third and fourth Chilean trade partners, respectively, after the United States and Japan.

In 1993, Chilean exports to Mercosur totalled $1.089 billion, some 11.6 percent of the total Chilean exports.

Figueroa said the delegations agreed to resume negotiations on 10 and 11 October in Montevideo.

Robaina Views Plan To Democratize Cuba

PY1209135294 Santiago EL MERCURIO in Spanish 24 Aug 94 p C2

[Text] Cuban Foreign Minister Roberto Robaina said the Cuban leadership intends to democratize this Caribbean island and to learn from the experiences of other Latin American countries, like Chile. Robaina said this during a luncheon held in his honor by Chilean Foreign Minister Carlos Figueroa.

Reliable sources told EL MERCURIO that Robaina said: "There is no doubt that we seek to democratize Cuba. This prompts a debate both abroad and also on the island. Currently, 51 percent of the Cuban population is under 30 years old."

Robaina allegedly said Cubans want to learn as much as possible about democracy in Chile and other Latin American countries.

He allegedly said that experience has, however, taught them not to import models without adapting them to their customs, culture, and real situation. Robaina reportedly said that "models from abroad must be tropicalized and adapted to our ways."

During a meeting this afternoon with the Chamber of Deputies' Foreign Affairs Committee, Robaina said that Ayala Lazo, the UN high commissioner for human rights, will travel to Cuba shortly. He said this is another step towards opening and respect for basic rights, which is what the international community demands from Cuba.

Robaina and Figueroa earlier held a long meeting at the Foreign Ministry. Foreign Under Secretary Jose Miguel Insulza and Cuban Consul General in Santiago Humberto Hernandez also attended.

The two ministers later told journalists that they discussed the current Cuban crisis and reviewed the bilateral agenda. The subject of a possible resumption of diplomatic ties was also mentioned.

Robaina voiced satisfaction over the meeting, adding that he had fulfilled the main objective of his visit to Chile: to encourage a greater understanding of the situation in the two countries. Robaina said: "Cuba wants to learn about Chile, but it is much more important that Chile should be interested in the situation my country is currently enduring."

Figueroa also voiced satisfaction and commented that they had an open agenda. He commented, however, that they talked more about the Cuban crisis than about bilateral relations.

Cuba and Chile broke diplomatic relations in September 1973 and only resumed ties, at a consular level, in 1991. Thus, a recurrent subject is the possible stepping up of relations to the ambassadorial level. Cuban authorities have expressed interest in this on several occasions. Steps in this direction were almost taken several times during [former President] Patricio Aylwin's administration.

Great pressure was exerted at the end of Aylwin's administration to smooth the path for the new administration and make it possible for Fidel Castro to be invited to the presidential inauguration, but President Eduardo Frei—at that time president elect—asked the previous administration not to do so.

It was learned yesterday that Castro still wants to visit Chile, as well as other Latin American countries, within the framework of his strategy to reinsert Cuba in Latin America.

Castro is scheduled to visit Chile for the Sixth Ibero-American Summit of chiefs of state and government to be held in Santiago in 1996.

As can be seen and as Robaina himself has stated, his tour of several countries in the region seeks to publicize the Cuban version of what is happening on the island, and to correct the image of the Cuban situation which is greatly influenced by the United States.

This strategy seeks greater support from Latin American people and a massive and more effective rejection of the U.S. blockade which worsens the situation endured by the island.

What made the Minister Figueroa's luncheon at the Blue Hall of the Foreign Ministry especially interesting was that it was a multi-party meeting that gathered the top Chilean politicians.

Figueroa's luncheon was attended by Mining Minister Benjamic Teplizky (PR) [Radical Party]; Minister Secretary General of Government Victor Manuel Rebolledo (PPD) [Party for Democracy]; Interior Under Secretary Belisario Velasco (DC) [Christian Democratic Party]; Foreign Under Secretary Jose Miguel Insulza (PS) [Socialist Party]; PS President Deputy Camilo Escalona; PDC President Deputy Gutemberg Martinez; UCC [Center Center Union] president Senator Francisco Javier Errazuriz; and other leaders such as Antonio Leal (PDI) [Leftist Democratic Participation Movement], Eugenio Ortega (PDC); and some Foreign Ministry officials.

The Cuban delegation headed by Robaina included his cabinet chief Tomas Lorenzo Gomez; Cuban Consul Humberto Hernandez; and Cuban ambassadors Arnaldo Molina and Bruno Rodriguez.

Leaders of the National Renewal Party were invited but, at the last moment, they turned down the invitation saying they could not attend an event where the Cuban foreign minister would be present because they are against diplomatic relations with the island.

No official report was released at the end of the luncheon. EL MERCURIO learned that, during a toast, Foreign Minister Figueroa said Chile would like Cuba to rejoin the Inter-American community, adding that Chile rejects the blockade and unilateral actions. Robaina was wished well in his efforts to pull his country out of its crisis.

In his speech, Robaina allegedly insisted on the need to lift the U.S. blockade, stating it would provoke great political, economic, and cultural changes.

Robaina then listened to several comments and questions of which, it was said, Senator Errazuriz was the most emphatic. Errazuriz allegedly said the Cuban revolution, which 30 years ago was creative and daring, has become stagnated and conservative. He alleged said "Fidel should be more daring. He should call a plebiscite in which the people participate."

During the second day of activities in Santiago, Robaina met after lunch with members of the Chamber of Deputies Foreign Affairs Committee, which is headed by Deputy Jorge Pizarro (PDC).

Pizarro said Robaina told them Cuba will allow Ayala Lazo, UN high commissioner for human rights, to visit the island.

Pizarro said Ayala will visit Havana to see how basic rights are respected in Cuba, a subject of vital importance to Chilean legislators.

Robaina's meeting with the Chilean deputies lasted for more than one hour and was labelled very positive by the members of the mentioned commission.

Pizarro recalled that the PDC has a pending visit to Cuba to learn about human rights on the island. He added that the exchange of legislators may contribute to a better understanding of the situation.

Pizarro said the Latin American Parliament will meet in Havana in September or October adding that this event will "undoubtedly" will also help.

Robaina later met with Public Works Minister Ricardo Lagos (PPD- PS) whom, he said, has always been interested and sensitive to the Cuban reality.

Robaina said "(this visit) does not seek any deal with this ministry. The purpose is to brief a person like him (Lagos), who has always been linked to the country, especially in the situation we are enduring, and to brief him on what is going on."

Colombia

DAS Reports Reactivation of Paramilitary Groups

PA1209193594 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 9 Sep 94

[From the "National Newscast"]

[Text] National Newscast has learned that the paramilitary groups are being reactivated. According to intelligence reports prepared by the Administrative Department of Security [DAS], the number of groups operating in zones of violence increased by more than 40 percent over the last few months.

According to the DAS Intelligence Directorate, 31 known paramilitary and self-defense groups are operating in the rural and urban areas of at least 14 departments. The number of these groups has almost doubled since August as a result of an increase in the guerrilla offensive and the increase in the number of kidnappings over the last two months. For instance, 12 [as heard] self-defense groups are operating in Santander Department: the Macetos, Dirty Faces, Black Hands, Stars of Death, Black Drops, and the Pablo Guarin, Pedro Gordillo, and Henry Perez Commando Units. These groups operate in the communities of Barrancabermeja, San Vicente, and El Carmen de Chucuri.

Meanwhile, these groups are exerting control over some Uraba municipalities, especially Caucas and Zaragoza, in Antioquia. They also have influence in the southern region of the department in the coffee fields and the mid-Magdalena region.

Self-defense groups are also operating in Boyaca, where two groups were identified: the Casanare Self-Defense in Casanare and the Tango Dancers [Tangueros] Gang, which was reactivated in Cordoba. However, the most unexpected group is located in Magdalena Department, where armed men from the Self-Defense groups have been spotted in the slums of Pescadito neighborhood in Santa Marta.

Authorities believe the reactivation of these groups that take justice into their own hands is more noted in places such as Casanare, El Cauca, La Guajira, Meta, and southern Tolima. According to DAS intelligence reports, each group is formed by between 50 and 100 men armed with weapons smuggled through Uraba, La Guajira, and the Colombian-Ecuadoran border.

We talked with Defense Minister Fernando Botero and Military Forces Commander General Ramon Emilio Gil, who commented on the reactivation of paramilitary groups and how they are being confronted.

[Begin recording] [Unidentified reporter] Do you believe these groups that take justice into their own hands reemerged due to the state's incompetence?

[Botero] No. I do not believe the state is incompetent, because thousands of sociological and socioeconomic reasons explain this reemergence. However, the policy of the military forces is to clearly quell the paramilitary organizations or the private justice organizations, as I like to call them. We will not accept the proliferation of these groups taking root in Colombia.

[Gil] They have tried to link us to these groups, but on the contrary, we are strongly fighting them. Some staff members, including retired officers or officers on leave of absence, may eventually be linked to these groups, but the institution has no ties whatsoever with these groups. [end recording]

'Glaring Reality' of Cartel Influence Stressed

94CA0171A Santa Fe de Bogota EL TIEMPO in Spanish 15 Aug 94 p 4A

[EL TIEMPO editorial: "Cali, Cali"]

[Text] Cali has been, without a doubt, a community par excellence. Its people have always shown respect for and interest in matters of concern to the community, and, displaying a spirit that does not discriminate between social classes, Cali's citizens have kept their spirit of solidarity at all times, and it has never been far below the surface. Eloquent evidence of these qualities is provided by the vigorous steadfast sector encompassing institutions such as the FES [Social Studies Front], the Carvajal Foundation, the Restrepo Barco Foundation, and Fundaempresa [expansion unknown], among many others, which has awakened a forceful, creative, and futuristic spirit. That spirit has enabled thousands of persons to emerge from the poorest of circumstances and become conscious of their opportunities for progress, so that today they are being called upon, peacefully and with solidarity, to foster development, fight poverty, and help achieve better living conditions.

When the alarm sounded concerning Aguablanca, the populous commune founded upon encroachments and illegal constructions, Cali's leadership took on its rehabilitation and management. Great efforts had to be undertaken to curb its growth and carry out projects designed to generate and promote revenues, microenterprises, family welfare, education and health, self-help construction, and the production of materials. These were projects aimed, in sum, at getting the inhabitants of the area to make constructive use of their free time and work potential.

The results speak for themselves. Aguablanca did not turn into Bogota's Ciudad Bolivar, nor were the levels of violence of Medellin's communes displayed there. On the contrary, the success of the Carvajal Foundation's programs carried beyond the nation's borders and aroused the interest of United Nations agencies, as well as that of the officials of other cities, and even that of the presidency of the Republic.

Furthermore, the drive and honesty of the Valle del Cauca's traditional entrepreneurs and manufacturers are proverbial, and the country is well aware of the sugar sector's accomplishments. For these reasons we understand and support the stance taken by Cali's leaders, who categorically reject all insinuations tending to universalize the voices of protest that have been raised and the government measures that are to be instituted against the so-called Cali cartel. Cali's leaders are right. The indiscriminate use of preconceived evaluations, legal measures, and police actions is odious. The country owes a great debt to many of the signatories of the official statement that emanated from Cali several days ago.

Nevertheless, there is a glaring reality. Slowly, patiently, stealthily, the cartel kept penetrating the distinct spheres of local and national activity. While the country was engaged in the merciless fight against the Medellin Cartel, the Cali Cartel was gaining ground, recruiting people of all classes, setting up enterprises, buying property, and, according to rumors, even collaborating with the authorities on intelligence work.

Today, with the discovery of reprehensible kickbacks that corrupted many police officials, with the eruption of the almost storybook scandal of the chief of the Investigative Group, Army Section, and with the intensification of police operations in Cali, we renew our hope that Colombia will not repeat the mistakes that led to the country's bloody war against the Medellin Cartel. Our hope is that we shall not again follow that mistaken path of terrorism and death. Our country cannot bear any further shedding of blood.

As we have said heretofore, Cali's drug traffic cartels, which also extend to other cities of the Valle [del Cauca], will be pursued efficaciously. And the police will be purged of those members who allow themselves to be corrupted. Minister Botero was clear on this point when he announced the forming of a squad, that can well be called a counterintelligence squad, to investigate with fairness and due care the penetration of the Cali police ranks by the drug traffic. A "state of emergency" is thus declared that is to conclude with a detailed report on what happened, to be made public within a few months.

It is a battle against the negative side of Cali, which cannot, we repeat, in any way, taint the image of those brilliant exponents of industry, trade, and, in general, Valle del Cauca's society. By the same token, and the minister of defense stresses this point, stern action, well calculated and capable of curbing drug traffic activities, must not become a cruel persecution, or a witch-hunt, that could tarnish the trustworthiness of the investigation. The minister has explained to public opinion the need to punish the guilty, but also the urgency of rewarding the honest and those who discharge their duty in the police corps. This will require vigilance and provisions for their security.

The government has been neither parsimonious nor slow in instituting urgent measures. The battle about to open against the Cali Cartel will be made easier if the good people of Cali, who are the immense majority, collaborate with the measures to be implemented by the Defense Ministry. Not only the citizens of Cali and of the entire Valle de Cauca, but also the citizenry of the entire country, must help in this new stage of the fight against the drug traffickers.

Officials View Surrender Policy

94CA0169A Santa Fe de Bogota EL TIEMPO in Spanish 15 Aug 94 p 9A

[Comments by Justice Minister Nestor Humberto Martinez, Attorney General Orlando Vasquez, and Prosecutor General Alfonso Valdivieso at EL TIEMPO roundtable: "Prosecutor General: 'We Are in the Worst of Worlds'"; date of roundtable not given]

[Text] Justice Minister Martinez, Attorney General Vasquez, and Prosecutor General Valdivieso comment on surrender policy and foreign cooperation. The justice minister, attorney general, and prosecutor general clearly believe that changes must be made in the surrender policy and that cooperation with the outside world is necessary.

The surrender policy is in crisis: Benefits must be reduced to essentials, punishment must be meted out in due measure, and the investigative process must be strengthened to hurdle the testimonial evidence stage in a country where no one dares to testify, for lack of protection.

Judicial cooperation is essential so as to not open the way to impunity, but it must be efficacious, timely, and in keeping with our independence.

Viewpoints such as these were expressed by the minister of justice, Nestor Humberto Martinez Neira, the nation's prosecutor general Alfonso Valdivieso Sarmiento, and the nation's attorney general, Orlando Vasquez Velasquez, on the issue of justice, at the roundtable held by EL TIEMPO.

In the second and last session of the roundtable, the attorney general, the prosecutor general, and the minister of justice explained their positions with regard to the surrender policy and relations with the United States.

[EL TIEMPO] The issue of drug dealer surrenders to the judicial authorities has become a hot potato. What should be done about the surrender policy?

[Minister of Justice] That is a topic that must be addressed by starting at its very base. A coherent crime policy must first be formulated. Its focus must be on the aspects of preventing and curbing crime and on the rehabilitation of criminals, which is a fundamental component of crime policy.

To prevent crime, we must come to grips with social disadvantagedness. Economic policy must be placed at the service of society, instead of society being at the service of economic policy.

We must work on the prevention front through civic education and the reestablishment of values, because even those of school age are already killing each other in the schools. It is a serious situation. We need to wage a crusade to reverse the process and prevent a minor conflict—the case of a boy who steals a pencil from another—from ending up in a very serious spate of rampant criminality. We must go back to the culture of dialogue, consensus, and coming to terms. Some 5,000 programs in this respect are being carried out in the United States.

Here, we do not even study civic education; and the field of sociological studies, which is essential, is empty. This, in my opinion, is the main reason for the existence of the Ministry of Justice, which today is a Ministry of Justice and of law. For my part, rather than minister of justice, I would like to be minister of law, because justice is more properly another branch of the government.

I have no intention of being a thorn in the side of the administration of justice, but let us formulate an adequate law. Let us create prevention and enforcement mechanisms, because enforceability is part of the essence of law.

Let us work on this, starting, however, from sociological studies. Just what is happening in society? What does society demand? In penal matters, what we see is what sociologists call judicial anemia. Penal guidelines, penal norms and related norms, are such that citizens by now do not know what is lawful and what is unlawful. Therefore, they tend to govern themselves to the best of their knowledge and understanding. We find ourselves in a glut of regulations, in which we try to approach social problems with more regulations.

The rationalization of penal norms is something that is making its way in the world. This involves formulating a judicial policy. And when we do so, we have to take stock and ask ourselves what aims we are going to pursue. The state cannot prosecute all the manifestations of today's criminality, because our established capacity is precarious. Impunity is rampant in kidnapping cases; and there are cases of flagrante delicto known to the authorities, in which proceedings are at a standstill, with no charges having been brought.

Nothing of what we intend to propose will be based again on abstraction. All past reforms have been based on assumptions and juridical dogma.

In the ministry, we are about to complete a field study on the surrender policy. We have analyzed 880 cases in which the surrender policy has been applied by way of early sentencing or special hearings. Based on this study, we are already able to formulate, in detail, the modifications or corrections needing to be made as of now with respect to application of the current legislation. It is on the basis of empirical evidence that a policy can and must be formulated.

The study has shown that we need to address the judicial aspects by revising the sentencing guidelines and rationalizing the benefits, because there is some degree of incoherence in the current application of the norms.

[Prosecutor General] The surrender policy issue has led to the situation we know: a phase of lack of credibility in that instrument. We are at a critical juncture. There is no longer any confidence in the policy as an option or as an alternative. In my opinion, this distrust is not something that stems from an acknowledgment that the country has not been able to cope with drug trafficking.

But I do believe that the time has come to review and study the issue. In my opinion, the increasing of punishment need not be the point of departure for this review. What is more important is that punishment be applied in keeping with the other procedural guidelines and the other norms of the penal legislation.

Unfortunately we have seen that the role of the prosecutor and that of the judge are such as to have led to sentences that have prompted hilarity, because they are so lenient that society itself is surprised.

It follows that those who may believe that their only alternative is crime, or those who have made crime their goal, find that the most hideous crimes, and those which cause the biggest social upheaval, are the ones that receive the most benevolent treatment. And thus, in my opinion, we find ourselves in the worst of worlds.

Of course, I have not seen any bad faith in the application of those norms, but there has definitely been a serious lack of both coherence and consistency in their application. There are norms that specify the desirability of applying a particular sentence. There is an elementary rationale: It is not desirable that a person implicated in acts such as those referred to when speaking of terrorism or drug trafficking seemingly be sentenced to five years in jail, and actually, depending on behavior and the decisions of prison officials, end up with a sentence reduced to one or two years.

That is absurd. And that it pays to belong to the underworld of the worst crimes is truly absurd. And that is why I believe the time has come to speed up that review.

I think that the sentence reduction aspects of the legislation have to be revised. Discretionary authority must be the rule. I do not agree with the system of automatic sentence reduction, because under it we start with 100 years and end up with two. The prosecutor and the judge must have a unified view of the appropriate sentence. It is indeed absurd to have come to the point where, ultimately, everyone enters through a window that has been opened to them by, I am not saying a rigged, but yes, a misguided and lax implementation of the norms as they are currently being applied to surrender policy and plea bargaining.

[Attorney General] Social necessities and decencies impose a changing normative behavior. It devolved upon us to join President Barco in adopting the toughest of policies yet implemented in the repression of the most violent and most terroristic of organizations. The circumstances demanded it of us. Have the results of that policy been beneficial? Society must decide that. In its time it had some impact.

When the new government came to power, one cannot say that it brought weaknesses, of course, but rather that it adopted a different crime policy. Faced with the inability of the state and its officials to immediately counteract such a high incidence of disturbances, the government adopted the policy of a surrender to justice. And people did not believe it at the time. What many had expected would be a further toughening of the crime policy turned out instead to be a complete reversal.

Has the surrender policy yielded results or not? I have heard President Gaviria and his officials maintain that it has been positive at least from the standpoint of bringing about a climate conducive to peaceful coexistence. A bit of peace, that is, compared with what the country had been enduring.

Now, the possibility of its revision is being looked into. It is a legitimate step. It must be done. The policy must be revised with a view to optimizing its results. A determination must be made as to which would be the most advantageous: Should the policy be toughened? Should the status quo be maintained? Or should it be made more flexible? For my part, generally speaking, as regards all crimes, I have always thought that increasing the severity of sentences is not the only factor capable of producing effects beneficial to society.

The minister of justice has said this. The criminal must be rehabilitated, rechanneled, reinserted into civil society. Why establish very severe penalties for some crimes if we never penalize anyone? Nobody has ever been convicted of an electoral crime despite an appalling heap of provisions and penal guidelines. How many in this country, throughout its entire history, have ever been convicted of crimes against the government? And yet we talk so much about it.

If we are prepared to examine the surrender policy together with appropriate study groups, for the purpose, however, of anchoring it to reality, so that we do not continue to formulate penal policies with unsuspected consequences. If current circumstances call for the revision of that policy, then—not with a view to toughening the norms but to render them relevant as punishment that retains coherence relative to such unlawful, illegitimate deeds as have been committed—the state is under obligation to carry out such examination and revisions as are called for.

The intimidating effect of punishment has always been highly useful. The effect is psychological, but some crime organizations are no longer frightened because nothing is ever proven against them.

The Colombian state's problem is obtaining evidence which, today, is basically testimonial. And who, today, dares to testify if he or she is not given due protection? It would be indeed wonderful if only we could arrive at a unified formula for the surrender policy, but always pursuing the optimum result: That persons would surrender to justice, and that condign punishment would be meted out to them with no possibility whatever of escaping it, for those crimes that have had the most devastating impact on society.

[EL TIEMPO] Tension in our relations with the United States has had innumerable critical phases and has even reached the point of an abrupt suspension of judicial assistance and a halt in the exchanging of evidence. What, in this respect, is the opinion of the new leaders of the Ministry of Justice?

[Minister of Justice] It is as simple as this: Contemporary organized crime has some eminently international aspects. All crimes of terrorism, financial crimes, money laundering, drug trafficking, and even crimes against the government and illegal enrichment, begin with an initial planning and implementation phase in one nation and end up being committed in another.

International cooperation in judicial matters is therefore, today, an irreplaceable prerequisite for effectual prosecution of crime and its continuing punishment.

With a basic agreement on policy as a starting point, the setting for cooperation will gradually be built. If one generates divorces within the international society as a way to fight crime, one merely opens ways to impunity. And under this principle, nobody can rationally hope to propose alternative positions.

[Prosecutor General] This subject of relations with the international community has been marked very recently by an unfortunate event: the decision to interrupt those channels of collaboration and cooperation with regard to the exchange of evidence.

It is something that we must consider as having been caused by statements, which I do not hesitate to term academic, made by the [former] prosecutor general. Unfortunately, it must be said, those statements created a somewhat distorted image, explainable though it is in terms of the way those statements were interpreted in the United States. The government cannot, on the one hand, state that we are fighting the drug traffic, while, on the other hand, the person in charge of the institution responsible for the prosecution of criminals is saying: Well, we have lost the fight. The situation is a very difficult one. All indications are that we must look for alternatives. Then, having said this, that person introduces the subject of legalization, and the result is a seeming contradiction.

Of course, I must support the independence of the prosecutor general and the prosecutor general's office vis-a-vis the government, and with greater reason vis-a-vis other governments, but that does not alter the fact that a common stance in the fight against certain crimes requires international cooperation.

I have said that I do not believe legalization of drugs in Colombia at this time to be a viable instrument or a valid option.

[Attorney General] The subject is very interesting and can be very vast, not only as regards its academic aspects, but rather in respect to positions taken by Colombia, and—let us say, because of the sensitivity of this subject and the susceptibilities of all sides—in respect to some conflicts of international character.

The fight against the drug traffic must continue, especially in the drug-consuming countries. In particular, I agree with some of [former] Prosecutor General De Greiff's policies—for example, respect for domestic sovereignty.

Clashes sometimes occur because of lack of knowledge of the other nation's organization. In the United States, the attorney general is also the minister of justice, and so, when Prosecutor General De Greiff spoke, occupying as he did a respectable position, it was believed that he spoke for the Colombian Government itself. A lack of familiarity with our organization gave rise to points of disagreement which, to the extent that they are not augmented, can be resolved.

One must trust that, to the extent that agreement can be reached on concerted action among governments, a more timely and efficacious cooperation will ensue.

We have need of that collaboration, but we also need that collaboration to be timely and efficacious. In Colombia we cannot keep on incriminating persons in connection with any class of crime, be it drug trafficking or any other criminal behavior, on the sole basis of evidence that another nation has but never sends, while we here continue waiting unendingly for that evidence to arrive, meanwhile depriving those persons of their freedom....

Paraguay

Country To Stop Hosting Foreign Military Missions

PY0809222594 Asuncion NOTICIAS in Spanish 8 Sep 94 pp 18, 19

[Text] Foreign Minister Luis Maria Ramirez Boettner confirmed yesterday that our country will no longer host foreign military missions, as the Paraguayan Government will not renew an agreement due to expire next year that allows military delegations from Argentina, Brazil, and the United States to come to Paraguay. This decision has annoyed diplomatic circles. The government claimed budget reasons, even though unofficially it was leaked that this decision was made because of resentment in military circles over alleged meddling in domestic affairs.

In remarks to journalists before leaving for Brazil yesterday to participate in the Rio Group summit in Rio de Janeiro, where the heads of state are scheduled to meet, Foreign Minister Luis Maria Ramirez Boettner confirmed this information.

The Paraguayan Government's decision did not sit well with diplomats.

President Wasmosy took advantage of a meeting at the Brazilian Embassy yesterday to convey his government's decision to the Brazilian ambassador, to Argentine Ambassador to Paraguay Raul Carignano, and to Gerald McCulloch, the U.S. charge d'affaires in Paraguay, with the goal of reducing the impact of the measure and preventing it from not sitting well with diplomatic representatives.

Explaining the reason for the government's decision, Ramirez Boettner claimed budget reasons, pointing out that the presence of foreign military missions in our country involves spending 500 million guaranies per month in cars, houses, fuel, telephone, and foodstuffs.

Even though this information has not been confirmed, it was leaked that the cancellation of the aforementioned agreement was allegedly prompted by the annoyance in military circles over the foreign military missions and their alleged meddling in domestic affairs.

It is worth clarifying that the cancellation of the agreement does not involve the removal from our country of foreign military attaches, who have diplomatic status.

It should also be emphasized that next year's budget bill, which the executive branch has submitted to Congress, does not include appropriations for military mission expenditures.

Wasmosy: Decision Made Based on Economic Reasons, Not 'Meddling'

PY1009202294 Asuncion ABC COLOR in Spanish 9 Sep 94 p 2

[Text] President Juan Carlos Wasmosy pointed out yesterday that the withdrawal of foreign military missions from our country is entirely due to economic reasons and not due to meddling in domestic politics. He made this remark before leaving for Rio de Janeiro, where he will participate in a Rio Group presidential summit.

For his part, Brazilian ambassador to Paraguay Alberto Vasconsellos Costa emphasized that his country's military mission will be withdrawing after 52 years of service.

Wasmosy "absolutely" denied that the departure of foreign military missions represents a reprisal for their alleged meddling in domestic affairs, especially for their alleged pressure on some military officers to keep an institutional stance.

Wasmosy noted that the Brazilian, Argentine, and U.S. military missions will leave Paraguay due to insufficient economic appropriations, involving a political decision to reduce the budget.

The president denied the existence of resentment within national military circles over alleged meddling by foreign military missions in their attempt to have Armed Forces members conform to constitutional provisions.

Wasmosy reported the government's decision to Argentine Ambassador to Paraguay Raul Carignano and Gerald McCulloch, the U.S. charge d'affaires to Paraguay. For his part, Brazilian Ambassador to Paraguay Alberto Vasconsellos Costa noted that his country's military mission agreement has expired and that it will withdraw from Paraguay with the satisfaction of having accomplished its assigned task.

The aforementioned military missions have been in Paraguayan territory for a long time, carrying out tasks aimed at fostering bilateral relations and cooperating with some specific functions.

The foreign military missions are financially supported by their governments, but the Paraguayan state covers a good portion of the maintenance expenses incurred by them in our country.

Defense Minister Views Decision on Military Missions

PY1009204994 Asuncion ABC COLOR in Spanish 9 Sep 94 p 3

[Text] Defense Minister Hugo Estigarribia on 8 September supported President Juan Carlos Wasmosy's decision, saying that it is solely due to economic reasons that the military missions have been asked to depart. He commented that if the expenses are going to be handled by the government that sends the mission, then there will be no inconvenience in continuing with this bilateral program.

Estigarribia indicated that the new budget does not contemplate expenditures for the support of the military missions, and that under these conditions the government finds it difficult to continue with the upkeep of these missions.

According to the government's version, the military missions cost 500 million guaranies to maintain, and this sum is used for vehicles, premises, fuel, telephones, and even the purchase of food.

General Angel Souto Hernandez, retired, Argentine ambassador to Spain, stated that one of the functions of the military missions is to advise the local Armed Forces.

When he was asked what prompted the sudden decision to ask the foreign military mission to depart, he said that he could not give an opinion. "In this respect, the Armed Forces most probably decided to make an evaluation of the situation," he said.

PLRA Bloc Leaders in Chamber of Deputies Elected

PY1009013194 Asuncion ABC COLOR in Spanish 9 Sep 94 p 4

[Text] After several weeks of indecision, the PLRA [Authentic Radical Liberal Party] bloc in the Chamber of Deputies elected Gilberto Vazquez as its leader and Candido Vera Bejarano as its deputy. Early on the morning of 8 September the PLRA political committee resolved this issue, settling a conflict that had split even the PLRA leadership.

Even though some deputies said this solution ends the "Group of 11" and the "Group of 14" within the Change for Liberation [Cambio Para la Liberacion] bloc, other deputies like Patricio Miguel Franco challenged the ability of the leaders to handle their duties, especially concerning their ability to take a firm stand.

The PLRA bloc now comprises 25 legislators because the "Group of Eight," including pro-Saguier and independent legislators, announced a few weeks ago that it was leaving the bloc for one year over internal disagreements.

Peru

Poll Shows Perez de Cuellar Gaining Electoral Support

PY1309221594 Madrid EFE in Spanish 1921 GMT 11 Sep 94

[Text] Lima, 10 Sep (EFE)—According to a poll published in today's press, former UN Secretary General Javier Perez de Cuellar is preferred by 31.9 percent of the electorate, as opposed to the 24 percent who preferred him a month ago before he started his campaign for the 1995 presidential elections.

Although the 74-year-old Perez de Cuellar will not decide whether to run or not until 23 September, he is conducting an intense campaign in Lima, in southern Peru, and over the past two days in the northern coastal region.

According to the poll conducted in Lima, his probable rival President Alberto Fujimori, who has not confirmed his presidential candidacy, either, obtained 47.4 percent of the votes.

The weekly EL MUNDO, which supports the diplomat, recently published that Perez de Cuellar has decided that he would decline his candidacy if by 23 September he is unable to considerably shorten the gap with Fujimori in the polls.

Today's poll places Lima Mayor Ricardo Belmont in third place with 5.2 percent. He is followed by former Senator Mercedes Cabanillas from APRA [American Popular Revolutionary Alliance] (3.1 percent); and independent legislator Fernando Olivera (1.1 percent).

According to the poll, 77 percent of those polled stated that they would never vote for former first lady Susana Higushi if she decides to run for president, as it seems she will, while 17.5 percent said they would vote for her.

British Minister Announces Pardoning of 14 Aid Loans

PY0909001394 Lima Global de Television Network in Spanish 0130 GMT 8 Sep 94

[Text] David Heathcoat-Amory, the British minister of state for treasury, said he is very impressed by the way Peru has solved its macroeconomic problems.

The illustrious British visitor met with Jorge Camet, the Peruvian economy and finance minister, and later announced that the United Kingdom is willing to advise Peru in the privatization field. He said British businessmen are very interested in actively participating in this process due to the favorable economic and political climate in Peru.

This information was disclosed following the meeting between the British and Peruvian ministers.

[Begin recording] [Heathcoat-Amory in English with passage-by-passage translation into Spanish; transcribed from English] I am impressed by the way Peru has solved its macroeconomic problems, curbing inflation, and eliminating the budget deficit, and I hope that British banks and companies may give advice in this process. I think economic and political circumstances are very favorable for this process. In recognition of the progress made by Peru, I am announcing today that 14 old aid loans are being written off. I hope this will be of assistance to Peru in packing [as heard] its debt problem. We have done it because we are impressed by progress made elsewhere in the economy.

[Camet] This is further testimony, another example of the world community's recognition of the efforts Peru and the Peruvian people have made to rebuild every aspect of this country, not just the economic aspect.

We appreciate this gesture and thank the British minister, the ambassador, and the government for this cooperation, which is not just of an economic-financial nature and which encourages us to continue to implement the program which is already proving effective and which, I reiterate, has received the approval of the world community and, in this particular case, of the United Kingdom. I want to publicly express my gratitude to the British minister and his government. [end recording]

Diplomatic Solution to Cuban Crisis Evaluated

PY1309223894 Lima EL COMERCIO in Spanish 26 Aug 94 p A2

[Editorial: "Cuba—Democratization is Indispensable"]

[Text] The flow of migrating Cubans under very precarious conditions to the United States is reaching alarming proportions. This drama may undermine the stability of the region.

Latest news agency reports state that the number of desperate people who have decided to abandon the island in precarious vessels is beyond anything imaginable: On 23 August alone, 3,000 ventured forth. The total since the start of the crisis is near 10,000.

Previously, Cuban rafters were allowed in and handed over to relatives or sponsors. On 19 August, the U.S. Government decided to restructure its refugee policy. In principle, it has been established that new refugees intercepted by U.S. ships or who arrive by their own means will be indefinitely detained until there are democratic changes on the island.

Intercepted rafters will now be taken to the U.S. base in Guantanamo, in the southeastern region of Cuba. Those who arrive, despite the tight surveillance deployed around the U.S. coast, will be taken to the Krome Federal Detention Center, west of Miami.

Meanwhile the possibilities for direct negotiations—or even dialogue—between the Clinton administration and the Havana government continue very remote.

In view of this stagnation in the search for a peaceful solution, the prospects look serious. Reports state that already about 2,000 Cubans are at the Guantanamo naval base. There are also 14,000 Haitians at Guantanamo. If we review the Mariel exodus in 1980 during which 128,000 Cubans fled to Florida, it is obvious that these records are being surpassed.

Although the new U.S. policy seeks to dissuade the Cubans, we predict that it will not be enough to halt the exodus and the massive escape of people worn down by the drastic and vertical regime whose policies have further deteriorated the poverty and political crisis on the island.

U.S. Defense Secretary William Perry stated that, if necessary, the facilities at the Navy base in Guantanamo will be expanded. It is very clear that this is not the definitive solution to a problem whose root lies in the intransigence of a government that continues to uphold an irrational adherence to socialism.

For the past five years, Cuba has experienced an acute crisis as a result of the withdrawal of economic support of the now defunct USSR, and the U.S. embargo that dates back to 1961.

It is obvious, therefore, that the solution can only be achieved through a political reform that must be implemented by Fidel Castro's government. The dictatorship does not adopt this decision, and so it is the responsibility of the international community to implement these reforms.

For humanitarian reasons and to safeguard regional peace, the international community should channel its efforts through diplomatic means, the OAS, and the United Nations. The first step in this direction should be to guarantee the free transit of Cuban citizens in both directions: those emigrating from Cuba and those going back, although temporarily, to the island.

Today, Castroism does not respect this right. It does allow Cuban citizens to leave but not under normal conditions, only in makeshift vessels which entail grave risks for those leaving the Cuban "paradise."

As for definitive solutions, the crisis will be resolved only through a true democratization of the Cuban Government.

For the time being, Castro resorts to double talk in a risky situation which he apparently keeps under control. This tense situation, however, cannot continue indefinitely. An eventual explosion of the issue may not only jeopardize U.S. and Cuban stability but that of the entire hemisphere. More so if a series of Latin American countries are supposed to grant "safe haven" for those who escape from communism.

Uruguay

Lacalle on Armed Intervention in Haiti, Embargo on Cuba

PY1409035394 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1530 GMT 13 Sep 94

[Text] Montevideo, 13 Sep (AFP-NA)—On 13 September, Uruguayan President Luis Alberto Lacalle voiced his opposition to any type of armed intervention in Haiti. He also called upon the United States to lift the embargo on trade with Cuba, which was imposed more than 30 years ago.

In remarks made to the Uruguayan press, the Uruguayan head of state said that even if the military intervention in Haiti "has been approved by the United Nations ... we believe that it is not a very wise measure."

Lacalle believes that an armed intervention "will not be conducive to the objectives being sought." He added that "it is very dangerous to embark on an intervention because one never knows where it will end."

He considered that the possible participation of countries outside the hemisphere in an occupation force is a mistake.

"The fact that European countries, colonial powers of which the American continent declared itself independent, should intend to meddle in the affairs of the Western Hemisphere seems to me an historical outrage," he said.

Lacalle pointed out that "we have to change the scope on this problem—Haitians are not fleeing the country because they want proportional representation; they are leaving their country because they are starving. The United States is concerned about this issue because the wretched Haitians are reaching its shores in rafts and boats."

He noted the possibility of establishing a "major food program to prevent people from dying of starvation on account of a dictatorship and a political system that have not been chosen by the people."

With regard to Cuba, Lacalle stated that it was also "a problem of hunger," although he made it clear that "socialism has brought about dependency, backwardness, dictatorship, and constraints on people's liberties."

"One does not sail among sharks in the inner tube of a truck tire because one is philosophically pressured to do so, but rather because one is hungry," he stated.

Government To Ask U.S. To Lift Ban on Uruguayan Flights

PY1309015994 Montevideo BUSQUEDA in Spanish 8 Sep 94 p 20

[Excerpts] The United States has prohibited any Uruguayan airline from flying to that country because it believes that Uruguayan aviation authorities cannot guarantee the security of Uruguayan airplanes. This has provoked reaction from the government as well as concern from the company that has purchased 51 percent of the shares of PLUNA [Uruguayan National Airlines].

Diplomatic sources have stated that the U.S. Government's decision is based on a report drafted by a mission of the Federal Aviation Administration (FAA) that carried out an inspection of the functioning of Uruguay's civil aviation sector in September 1993. [passage omitted]

Moreover, the decision was not considered to be just by the Uruguayan Government, which is about to ask that the decision be revised, pointing out that the international civil aviation of Uruguay has never suffered any incidents, and that Uruguay has approved all the rules and regulations of the International Civil Aviation Organization (OIAC) of the United Nations.

The sources that were consulted have indicated that Ambassador Eduardo Maggillycuddy will submit the request next week in Washington. [passage omitted]

Lacalle Receives Rio Group Support for ETA Extraditions

PY1309010294 Madrid EFE in Spanish 1847 GMT 11 Sep 94

[Text] Montevideo, 11 Sep (EFE)—The president of Uruguay, Luis Alberto Lacalle, today expressed his satisfaction over the support voiced by the Rio Group presidents for his government's decision to extradite to Spain three alleged members of the ETA [Basque Fatherland and Liberty] terrorist organization.

Shortly after returning from Brazil, the Uruguayan head of state emphasized that the final declaration of the Eighth Rio Group Summit of heads of state and government specifically condemns terrorism, and explains the necessity of complying with the current extradition treaties as a way of fighting it.

The declaration "strongly" condemns "all terrorist attacks, especially those recently perpetrated in our region, calls on the international community to fight this scourge," and "confirms the significance of the extradition treaties ratified by our countries and the actions of the respective judicial branches."

Uruguay approved on 24 August the extradition to Spain of three Spanish citizens of Basque origin, who are allegedly members of the ETA terrorist gang.

The alleged ETA members Jesus Maria Goitia Unzurrunzaga, Miguel Ibanez Oteiza, and Luis Maria Lizarralde Izaguirre have been indicted in Spain for participating in various terrorist actions in which six people were killed.

Goitia, Ibanez, Lizarralde, and five other Spanish people, who are allegedly ETA members and whose extradition has been requested by Spain and denied by Uruguayan courts, were detained in Montevideo in May 1992, and prosecuted and jailed in Uruguay for "using forged papers."

During the extradition of the alleged ETA members, police and radical groups clashed on 24 August in Montevideo. During the clashes, a 24-year-old youth was killed and 75 people were injured, many from bullet wounds.

Embassy Office in Berlin Taken Over, Bern Embassy Picketed

PY1309131094 Montevideo EL PAIS in Spanish 7 Sep 94 p 7

[Excerpts] On 6 September, some 25 self-styled "Berlin Internationalists" ["Internacionalistas de Berlin"] violently invaded the Berlin office of our embassy in Bonn. They faxed a communique in which they harshly attack the Uruguayan Government for not granting political asylum to the alleged members of the Basque Fatherland and Liberty [ETA] who were recently extradited. They then withdrew, taking with them a seal of the Uruguayan Consulate and a small Uruguayan flag. EL PAIS spoke by phone last night with Pedro Vidal Salaberry, our ambassador in Germany, who reported that the invaders spoke Spanish, although from their appearance they may be German.

Vidal Salaberry reported that the takeover took place between 0930 and 1000 on 6 September, when Consulate Official Nario and two administrative employees were in the office. "One person entered on the pretext of obtaining information," the diplomat said, "and the rest followed." He added: "There was no violence as such and nothing was damaged, but some facilities were used—like the office fax machine—to send the communique." [passage omitted]

A group of about 30 persons demonstrated on 5 September outside the Uruguayan Embassy in Bern, Switzerland, where they painted slogans on the wall. The group distributed pamphlets which contained reports on the events in Uruguay following the court decision that determined the extradition of the three Basques. The group tried to hand a protest note to Ambassador Jorge Talice which, among other points, demands an investigation into the police action on 24 August [when incidents occurred over the extradition of alleged ETA terrorists to Spain], and the resignation of Interior Minister Angel Maria Gianola.

Liberian Guerrillas Hold Uruguayan Peacekeepers Captive

PY1309213994 Madrid EFE in Spanish 0332 GMT 13 Sep 94

[All geographical names as received]

[Text] Montevideo, 12 Sep (EFE)—The Army command confirmed in Montevideo today that at least six Uruguayan officers out of a total of 16 officers participating in a UN peace mission in Liberia are being held captive by one of the country's fighting factions: the National Patriotic Front.

According to the detailed information, the guerrillas are impeding the free movement and communications of two majors and four captains who are serving as observers in the peace mission.

The official communique says that the rebels have seized the captive officers' military equipment and materiel.

Uruguayan authorities reported that two other captains, out of 11 captains in the Uruguayan delegation operating in Liberia, were evacuated to Monrovia following a series of events in various areas of the country, including fighting between conflicting factions in Gbarnga and Ganta.

According to the Uruguayan Army bulletin, the United Nations has taken steps to evacuate its observers from the conflict zone as soon as possible.

According to Uruguayan sources, observers who can communicate with their commanders have reported "that the logistics support is not adequate, and food is becoming scarce."

The report of the Uruguayan Army, which has in Liberia one colonel, four majors, and 11 captains, was released to the press eight hours after news from Akosombo, in Ghana, reported that the leaders of the fighting factions in Liberia have signed a pact to share power and end the conflict, which has already lasted five years. [sentence as received]

The United Nations estimates that 150,000 people have died and over 1 million people have become refugees during the five years of civil strife in Liberia.

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